



**North East
Derbyshire**
District Council

Our Ref:

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Date: Tuesday, 24 November 2020

To: **All Members of the Audit & Corporate Governance Scrutiny Committee**

Please attend a meeting of the Audit & Corporate Governance Scrutiny Committee to be held on **Wednesday, 2 December 2020 at 3.00 pm by Conference Call**. Access credentials to the meeting will be sent to you separately. The public parts of the meeting will be streamed from the Council's website.

Virtual Attendance and Hybrid Meetings

I have provided the Leader and Deputy Leader with advice on the holding of "hybrid" meetings outlining the risks including to employees dealing with the Chamber and to Members. Hybrid meetings are those where some attendance is in person in the Council Chamber and some is virtual. I would encourage you all to attend virtually. Accordingly if you attend in person you will be deemed to have accepted the following disclaimer as applying.

Risk Assessment Disclaimer

When attending this meeting in person, I confirm that I have read and understood the contents of each of the following risk assessments and agree to act in line with its content.

- ☐ RA – Return to Work Mill Lane Covid 19 V13
- ☐ Mill Lane Coronavirus Control Measures V8

Both documents have been emailed to Members and are available on the Modern.Gov App library.

The same advice is given to officers who are also encouraged to participate in the meeting remotely.

Yours sincerely

A handwritten signature in cursive script that reads "Sarah Steenberg".

Joint Head of Corporate Governance and Monitoring Officer

Conservative Group	Labour Group	Liberal Democrat Group
Cllr W Armitage Cllr S Clough Cllr L Deighton Cllr M Roe Cllr M E Thacker	Cllr N Barker Cllr P R Kerry Cllr G Morley	Cllr R Shipman

A G E N D A

1 Apologies for Absence

2 Declarations of Interest

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

3 Minutes of Last Meeting (Pages 4 - 10)

To approve as a correct record and the Chair to sign the Minutes of the Audit and Corporate Governance Scrutiny Committee held on 30 September 2020.

4 Reports of the Internal Audit Consortium Manager

- a. Summary of Progress on the 2020/21 Internal Audit Plan (Pages 11 - 19)
- b. Implementation of Internal Audit Recommendations (Pages 20 - 32)

5 Report of the Information, Engagement and Performance Manager

- a. Council Plan Targets Performance Update - July - September 2020 (Q2 - 2020/21) (Pages 33 - 57)

6 Report of the Director of Corporate Resources and Head of Paid Service

- a. Risk Management (Pages 58 - 110)

7 Reports of the Head of Finance and Resources and Section 151 Officer

- a. Corporate Debt (Pages 111 - 116)
- b. Benchmarking - Financial Pressures (Pages 117 - 126)
- c. Treasury Management (Pages 127 - 132)

8 Report of the Head of Corporate Governance and Monitoring Officer

- a. Corporate Work Programme 2020/21 (Pages 133 - 136)

- 9 To consider any other items which the Chair is of the opinion should be considered as a matter of urgency.

10 **Exclusion of Public**

The Chair to Move:-

That the public be excluded from the meeting during the discussion of the following item of business to avoid the disclosure to them of exempt information as defined in Paragraphs 1 and 3, Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

11 **Joint Report of the Director of Corporate Resources and Director of Growth and Economic Development**

- a. Coronavirus (Covid-19) Recovery Plans (Pages 137 - 209)



North East
Derbyshire
District Council

***We speak
your language***

Polish
Mówimy Twoim językiem

French
Nous parlons votre langue

Spanish
Hablamos su idioma

Slovak
Rozprávame Vaším jazykom

Chinese
我们会说你的语言

If you require
this agenda in
large print
or another
format
please call
us on
**01246
217753**

If you require an adjustment to enable you to participate in or access the meeting please contact the Governance Team at least 72 hours before the meeting starts.

AUDIT & CORPORATE GOVERNANCE SCRUTINY COMMITTEE

MINUTES OF MEETING HELD ON WEDNESDAY, 30 SEPTEMBER 2020

Present:

Councillor Martin E Thacker MBE JP (Chair) (in the Chair)
Councillor Stephen Clough (Vice-Chair)

Councillor William Armitage
Councillor Gerry Morley
Councillor Ross Shipman

Councillor Nigel Barker
Councillor Michael Roe

Also Present:

J Dethick	Head of Finance and Resources, Section 151 Officer
J Williams	Internal Audit Consortium Manager
M Norman	Mazars
A Bryan	Governance Team

AUD/ Apologies for Absence

1/20-

21 Apologies for absence had been received from Councillor P Kerry and Sarah Sternberg.

AUD/ Declarations of Interest

2/20-

21 Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and to withdraw from the meeting at the appropriate time.

There were no interests declared at this meeting.

AUD/ Minutes of Last Meeting

3/20-

21 RESOLVED – That the Minutes of the meeting of the Audit and Corporate Governance Scrutiny Committee held on 30 January 2020 be approved as a correct record and signed by the Chair.

AUD/ Audit Strategy Memorandum

4/20-

21 M Norman, Mazars, presented the 2019/20 Audit Strategy Memorandum which had been prepared by the Council's External Auditors, Mazars, for the year ending 31 March 2020. The purpose of the Memorandum was to summarise the approach taken to the audit by the Council's External Auditor and to highlight any significant audit risks and areas of key judgements.

RESOLVED – That the Memorandum be noted.

AUD/ Audit Completion Report

**5/20-
21**

M Norman, Mazars, presented the audit completion report in respect of the 2019/20 financial year. He stated that Mazars expected to issue an unqualified opinion on the financial statements and with regards to Value for Money they anticipated concluding that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources. M Norman also stated that the National Audit Office had not yet issued instructions regarding the audit work required for the Whole of Government Accounts (WGA) submission but he expected to issue a clean opinion. He also confirmed that no objections or questions had been received from an elector or representative about the accounting records of the Council.

The Management Representation Letter, which was attached to the Audit Completion Report at Appendix A, would be required to be signed by the Chief Financial Officer on behalf of the Council.

In response to queries from the Committee regarding considerations about Covid-19 and Brexit, M Norman stated that this audit report for 2019/20 was the final one under the current code of practice which was updated every five years. The National Audit Office had been clear that they expected the focus on financial standing, resilience and medium to long term implications of Brexit and Covid-19 to form part of the 2020/21 Value for Money consideration.

The Committee requested that benchmarking information on how other Councils were coping financially with the pandemic be included in the work plan.

RESOLVED – That:-

- (1) The Audit Completion Report be noted.
- (2) The Committee approves the Letter of Representation contained within the Audit Completion Report and authorised the Chief Financial Officer to sign the letter on behalf of the Council.
- (3) That benchmarking information on financial pressures be included in the work plan for the Committee.

AUD/ Statement of Accounts 2019/20

**6/20-
21**

The Head of Finance and Resources presented the audited Statement of Accounts for 2019/20, which were attached to the report at Appendix 1.

The Head of Finance and Resources emphasised the Assessment of Going Concern. The concept of 'going concern' assumed that a Council's functions and services would continue in operational existence for the foreseeable future. This assumption underpinned the accounts drawn up under the Code of Practice for Local Authority Accounting and was made because local authorities carried out functions essential to the local community and were themselves revenue raising bodies. The main factors which underpinned an assessment were the Council's current financial position, projected financial position, balance sheet, cash flow, governance arrangements and regulatory and control environment application to

the Council as a local authority.

The Chair of the Committee requested information on the Council's Covid-19 recovery plans and strategic risks be presented to the next meeting of the Committee.

The Head of Finance and Resources agreed to follow up on a query regarding what had happened regarding the signing of the British Sign Language (BSL) Charter and its pledges and what action had subsequently been taken.

RESOLVED – That:-

- (1) The audited Statement of Accounts in respect of 2019/20 be approved.
- (2) Delegated power be granted to the Chief Financial Officer, in consultation with the Chair or Vice-Chair of the Audit and Corporate Governance Scrutiny Committee, to agree any changes which may be necessary in order to ensure the finalisation of the external audit currently being concluded by the Council's external auditors KPMG to ensure completion of the Statement of Accounts by the revised statutory deadline of 30 November 2020.
- (3) The outcome of the assessment of the Council's 'going concern' status for the purpose of preparing the Statement of Accounts for 2019/20 be noted.
- (4) The Committee receive an update on the Council's Covid-19 recovery plans and strategic risks at the next meeting.

**AUD/
7/20-
21**

Corporate Debt

The Head of Finance and Resources presented a report which set out a summary of the corporate debt position as at 31 August 2020. Details of the debt position with regard to sundry debtors, overpaid housing benefit and rents were attached to the report at Appendix 1.

The Head of Finance and Resources stated that this had taken on a new significance as a result of Covid-19. During the early months of the pandemic, in line with Government guidance, the Council had not taken any recovery action. Following the lifting of national restrictions and after careful consideration and consultation with colleagues across Derbyshire, the Council had now decided to commence a process of "soft" recovery through re-engagement with customers and opening up a dialogue about payment and offering support where needed rather than actively chasing arrears. The impact of this action would be carefully monitored.

The Committee discussed starting the debt recovery process and questioned the timing given the likelihood of a Covid-19 second wave. The Committee agreed with the soft approach to be taken but would not want to see any further action at this time.

RESOLVED – That the report concerning the Council's Corporate Debt as at 31 August 2020 be noted.

AUD/ 8/20-21 **The Role of the Committee in Scrutiny and the Relevance of Timely Reporting**

The Chair of the Committee presented a report to consider the Committee's scrutiny role and a new work plan to facilitate this. The Committee had statutory functions such as signing off the annual accounts, as well as undertaking the role of scrutiny. In order for this to be most effective, the Committee should have the opportunity to scrutinise reports that lie with its remit before they were considered by the Cabinet. This allowed for any comments or observations of the Committee to form part of the Cabinet's considerations.

The Chair of the Committee requested that a new framework of Committee meeting dates and a revised Work Plan be drafted and submitted to the next meeting. The Work Plan was to include implications of Covid-19, implications of Brexit including a no-deal Brexit, cost of leisure services, financial benchmarking, and risks regarding pensions.

RESOLVED – That:-

- (1) The Committee agree to realign the Work Plan and future meeting dates to meet the objectives detailed within the report.
- (2) A revised Work Plan be presented to the next meeting of the Committee.

AUD/ 9/20-21 **Medium Term Finance Plan - Revised Budgets 2020**

The Head of Finance and Resources presented a report which set out a summary of the revised budget which will be presented to Cabinet on 8 October 2020. The report set out the impact of the Covid-19 pandemic on the Council's financial position, which was considerable with £1.325m being funded from the Resilience Reserve this year.

The Committee asked for clarification regarding budget lines that appeared to have had significantly increased. The Head of Finance and Resources provided clarification on the variances raised.

The Committee also discussed Rykneld Homes Ltd and the proposed 2020/21 fee. It was proposed that a presentation by the Managing Director of Rykneld Homes on how they spent the Management Fee was added to the Committee's Work Plan.

RESOLVED – That the report concerning the Council's Medium Term Financial Plan – Revised Budgets 2020/21 be noted.

AUD/ 9/20-21a **Annual Governance Statement**

The Head of Finance and Resources presented a report on behalf of the Head of Corporate Governance and Monitoring Officer, which sought the approval of the Committee on the Annual Governance Statement for incorporation within the Council's Statement of Accounts for 2019/20. The report also reviewed the Local

Code of Corporate Governance.

The Committee discussed the draft Annual Governance Statement 2019/20. The Chair of the Committee suggested that the vocabulary regarding the role of the Audit Committee should be changed to 'scrutinising and then approving' rather than 'agreeing' with regards to the Annual Governance Statement and the Annual Statement of Accounts. Also, the accountability of the Council's income and expenditure decision making processes and their impact on the district should be added as a function of the Committee. It was also suggested that more information should be included on the Council's response to the Coronavirus Pandemic. The Committee discussed changes to the information regarding the adoption of a Local Plan within the Significant Governance Issues section.

RESOLVED – That:-

- (1) The draft Annual Governance Statement, as set out in Appendix 1, be noted prior to the final version being incorporated within the Council's Statement of Accounts.
- (2) The Local Code of Corporate Governance, as set out in Appendix 2, be approved.
- (3) Having reviewed the effectiveness of the Governance Framework the Council's governance and internal control arrangements be deemed fit for purpose and the Chair of the Committee be authorised to sign the memorandum, as set out in Appendix 4.

AUD/ Internal Audit Consortium: 2019/20 Annual Report

10/2

0-21

The Internal Audit Consortium Manager presented the Internal Audit Consortium 2019/20 Annual Report which presented a summary of the internal audit work undertaken during 2019/20. The Internal Audit Consortium Manager stated that Covid-19 had had an impact on the timeliness of the completion of the 2019/20 internal audit plan. Whilst the majority of the plan had now been completed, some of the audits had been completed in the new financial year and some had been deferred.

RESOLVED – That the Internal Audit Consortium Annual Report 2019/20 be noted.

AUD/ Review of the Internal Audit Charter

11/2

0-21

The Internal Audit Consortium Manager presented a report which set out the results of a review of the Internal Audit Charter. The Public Sector Audit Standards (PSIAS) required the Head of Internal Audit to periodically review the Internal Audit Charter and present it to the Committee for approval. The Internal Audit Charter was attached to the report at Appendix 1.

The report stated that the current Internal Audit Charter had been reviewed and it was felt that it was still fit for purpose and that the only update required was in respect of job titles. Previously the Charter had been reviewed every two years however, the Chartered Institute of Public Finance and Accountancy (CIPFA)

were now recommending that the Charter be reviewed annually, so the next review would take place in summer 2021.

RESOLVED – That:-

- (1) The outcome of the review of the Internal Audit Charter be noted.
- (2) The Internal Audit Charter be agreed.
- (3) The Internal Audit Charter be reviewed in a years' time or sooner in the event of any significant changes being made to the Public Sector Internal Audit Standards.

AUD/ 12/2 0-21 **External Review of Internal Audit**

The Internal Audit Consortium Manager presented a report which sought to consult the Committee on the format of the external review of internal audit that was required by the Public Sector Internal Audit Standards (PSIAS). The PSIAS required that an external assessment should be carried out at least once every five years by a qualified, independent assessor or team, and the next external review was due in July 2021.

RESOLVED – That:-

- (1) Proceeding with the procurement of an external provider to undertake an external assessment of the Internal Audit Consortium and Derbyshire Dales District Council, be authorised.
- (2) The Internal Audit Consortium Manager and the Section 151 Officer be given delegated authority to agree the specification of the assessment, to assess quotations received based on cost and quality and to appoint an external provided to undertake the assessment.

AUD/ 13/2 0-21 **Internal Audit Consortium Summary of Progress on the Annual Internal Audit Plans 2019/20 and 2020/21**

The Internal Audit Consortium Manager presented a report which set out the progress that had been made by the Internal Audit Consortium in respect of the 2019/20 and 2020/21 Internal Audit Plans. The report included a summary of Internal Audit Reports issued since the last meeting of the Committee and there was an appendix detailing the 2020/21 Internal Audit Plan and progress made to date. The report stated that the internal audit team were currently working to the 2020/21 plan, however due to Covid-19 the whole of the plan was unlikely to be achieved. In addition, as the recovery process progressed it might be necessary to replace some areas with other areas that were deemed higher risk.

RESOLVED – That:-

- (1) The report be noted.
- (2) The impact of the Coronavirus on the ability to complete the current audit plan and the potential for future changes to the plan be noted.

AUD/ **Urgent Business**
14/2

0-21 There was no urgent business to be considered at this meeting.

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2nd December 2020

<u>Internal Audit Consortium Summary of Progress on the 2020/21 Internal Audit Plan</u>
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Report of the Internal Audit Consortium Manager

This report is public

Purpose of the Report

- To present, for members' information, progress made by the Internal Audit Consortium in respect of the 2020/21 Internal Audit Plan. The report includes a summary of Internal Audit Reports issued since the last meeting of this committee and an appendix detailing the 2020/21 internal audit plan and progress to date.

1 Report Details

- 1.1 The Consortium Legal Agreement in paragraph 9.3 requires that the Head of the Internal Audit Consortium (HIAC) or his or her nominee will report to the Audit Committee of each Council on progress made in relation to their annual audit plan.

Audits issued

- 1.2 Appendix 1 details the definitions in respect of the assurance levels used currently and those used prior to April 2017 for comparison in order that the direction of travel of an audited area can be monitored.
- 1.3 Appendix 2 is a summary of reports issued between the 12th September 2020 and the 13th November 2020. Appendix 2 shows for each report the level of assurance given and the number of recommendations made / agreed where a full response has been received. This provides an overall assessment of the system's ability to meet its objectives and manage risk.
- 1.4 In this period 5 reports have been issued, 4 with substantial assurance and 1 with reasonable assurance.
- 1.5 Reports are issued as Drafts with five working days being allowed for the submission of any factual changes, after which time the report is designated as a Final Report. Fifteen working days are allowed for the return of the Implementation Plan.

- 1.6 In respect of the audits being reported, it is confirmed that no issues arising relating to fraud were identified.

Progress on the 2020/21 Plan

- 1.7 A mid- year review of progress against the internal audit plan and a discussion in relation to the potential risks arising due to COVID 19 has been undertaken with the Section 151 Officer. On the whole, it is felt that the internal audit 2020/21 plan is still appropriate. For the areas reviewed it will be ensured that COVID 19 has not adversely affected the controls in place. Some work may be undertaken in respect of the payment of the various government grants relating to COVID 19 however the extent of government checks is awaited before this work is commenced. If control risks emerge in any areas then it may be necessary to vary the audit plan.
- 1.8 Appendix 3 shows the 2020/21 internal audit plan and details the audits that have been completed and those in progress. It is considered that reasonable progress is being made given the circumstances.

2 Conclusions and Reasons for Recommendation

- 2.1 To inform Members of progress on the 2020/21 Internal Audit Plan and to provide details of the Audit Reports issued to date.
- 2.2 To comply with the requirements of the Public Sector Internal Audit Standards.

3 Consultation and Equality Impact

- 3.1 None.

4 Alternative Options and Reasons for Rejection

- 4.1 None.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 The regular reporting of the progress made by the Internal Audit Consortium enables Members to monitor progress against the approved internal audit plan.

5.2 Legal Implications including Data Protection

- 5.2.1 None.

5.3 Human Resources Implications

- 5.3.1 None.

6 Recommendations

- 6.1 That the report be noted.
- 6.2 That the impact of the coronavirus on the ability to complete the current audit plan and the potential for future changes to the plan is noted.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	N/A
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
1	Definition of assurance and control levels
2	Summary of Internal Audit reports issued in respect of the 2020/21 Internal Audit Plan between the 12th September 2020 and the 13th November 2020
3	Progress on the 2020/21 Internal Audit Plan
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jenny Williams Internal Audit Consortium Manager	01246 959770

Current Assurance Levels

Assurance Level	Definition
Substantial Assurance	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
Reasonable Assurance	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.
Limited Assurance	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.
Inadequate Assurance	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.

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Control levels that were used until end March 17

Control Level	Definition
Good	A few minor recommendations (if any).
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

NORTH EAST DERBYSHIRE DISTRICT COUNCIL

Appendix 2

Internal Audit Consortium - Report to Audit and Corporate Governance Scrutiny Committee

Summary of Internal Audit Reports Issued 12th September 2020 – 13th November 2020

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Previous Control Level	Date		Number of Recommendations	
					Report Issued	Response Due	Made	Accepted
N005	Procurement	To ensure that Financial Regulations are adhered to and that staff have been appropriately trained, that VFM is being obtained.	Reasonable	Reasonable	14/9/2020	5/10/2020	6 (5M 1L)	6
N006	Elections	To ensure payments to Officers and for the hire of halls etc. is correct, that risk assessments have been undertaken, that the registers are adequately security protected.	Substantial	Good	23/9/2020	14/10/2020	1L	1
N007	Asset Management	To ensure that the Council has a strategy for managing its assets and that this is adhered to.	Substantial	Reasonable	8/10/2020	29/10/2020	3 (2M 1L)	3

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Previous Control Level	Date		Number of Recommendations	
					Report Issued	Response Due	Made	Accepted
N008	Climate Change	To ensure that the Council is taking appropriate action to meet its political aspirations in terms of climate change.	Substantial	N/A	19/10/2020	9/11/2020	2L	Note 1
N009	Corporate Targets	To verify that there are adequate procedures in place to ensure that corporate targets are calculated and reported accurately and that the definitions of the targets are interpreted correctly	Substantial	Reasonable	5/11/2020	26/11/2020	1L	Note 1

Note 1 – Response not due at time of writing report

H = High Priority

M = Medium Priority

L = Low Priority

North East Derbyshire District Council Internal Audit Plan 2020/21

	Audit Complete
	Audit in Progress
	Ongoing

	Main Financial Systems	2020/21 Days	Priority
	CIPFA Financial Management Code	8	M
	Debtors (Key Controls)	10	M
	Cash and Banking	18	M
	Council Tax	20	M
	Housing / Council Tax Benefit	18	H
	Total Main Financial Systems	74	
	Other Operational Audits	2020/21	Priority
	Asset Management Arrangements	10	M
	Corporate Targets	15	M
	Data protection	12	M
	Disabled Facilities Grants	10	M
	Dog Warden Service	5	L
	Elections (carry fwd from 19/20)	10	L
	Food Hygiene	13	H
	Homelessness	10	L
	Leisure Operational including Cafe	20	M

	Leisure direct debits	5	L
	Planning Processes & Procedures / Appeals	10	M
	Procurement	15	H
	Social Media	8	M
	Street Cleaning	10	L
	Total Operational Areas	153	
	Rykneild Homes	97	H
	IT Related		Priority
	Laptops & Removable Media	12	L
	Network / cyber security	12	H
	Total IT	24	
		2020/21	Priority
	Fraud and Corruption		
	National Fraud Initiative	5	
	Total Fraud & Corruption	5	
	Corporate / Cross Cutting Issues		Priority
	Climate Change	5	H
	Corporate Governance/Assurance Statement	2	H
	Ethics	10	M

	Financial Advice/Working Groups/Test Schedule Development	12	
	Mobile Phones / Communications	10	L
	Transformation Agenda	10	H
	Use of Consultants / IR35 (carry fwd from 19/20)	14	M
	Total Corporate/Cross Cutting Issues	63	
	Special Investigations / Contingency	25	
	Apprenticeships / training	30	
	Audit Committee / Client Liaison	15	
	Grand Total	486	

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2nd December 2020

Implementation of Internal Audit Recommendations
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Report of the Internal Audit Consortium Manager

This report is public

Purpose of the Report

- To present, for members' information, a summary of the internal audit recommendations made and implemented for the financial years 2018/19 - 2020/21 (to date).

1 Report Details

- 1.1 This report is to inform Members of the Audit and Corporate Governance Scrutiny Committee of the progress made in respect of implementing internal audit recommendations in order that action can be taken if progress is deemed unsatisfactory. The implementation of internal audit recommendations is also monitored at quarterly directorate meetings and by the Strategic Alliance Management Team. COVID-19 has meant that the frequency of monitoring and reporting has been reduced from March 2020.
- 1.2 Appendix 1 details the outstanding internal audit recommendations as at the 11th November 2020. The front page of the Appendix provides an analysis of the number of recommendations made and implemented for the financial years 2018/19 – 2020/21 (to date). Due to COVID-19 the implementation of some recommendations and / or the updating of the PERFORM system has been delayed.
- 1.3 The timely implementation of internal audit recommendations helps to ensure that the risk of fraud and error is reduced and that internal controls are operating effectively.

2 Conclusions and Reasons for Recommendation

- 2.1 To inform Members of the internal audit recommendations outstanding so that it can be assessed if appropriate and timely action is being taken.

3 Consultation and Equality Impact

3.1 None

4 Alternative Options and Reasons for Rejection

4.1 Not Applicable

5 Implications

5.1 Finance and Risk Implications

5.1.1 Regular reports on progress against the implementation of internal audit recommendations ensures compliance with the Public Sector Internal Audit Standards and allows members to monitor progress.

5.2 Legal Implications including Data Protection

5.2.1 None

5.3 Human Resources Implications

5.3.1 None

6 Recommendations

6.1 That the report be noted.

6.2 That a further update be brought in 6 months' time.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
Appendix 1	Summary of Internal Audit recommendations made and implemented 2018/19 – 2020/21 (to date)
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
Report Author	Contact Number
Jenny Williams	01246 959770

JENNY WILLIAMS

INTERNAL AUDIT CONSORTIUM MANAGER

North East Derbyshire District Council

Summary of Internal Audit Recommendations made and implemented 2018/19 – 2020/21 as at 11th November 2020

Recommendations Made	2018/19	2019/20	2020/21 to date
Number of High Priority	5	1	0
Number of Medium Priority	47	30	8
Number of Low priority	82	43	14
Total	134	74	22
Recommendations Implemented	125	43	2
High Recommendations Outstanding	0	0	0
Medium Recommendations Outstanding	3	4	0
Low Recommendations Outstanding	6	9	0
Not overdue yet	0	18	20
Total Overdue Recommendations	9	13	0
Percentage due implemented	93%	80%	N/A

2018/19

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not	Overdue	Implemented
Ref				High	Medium	Low		Overdue		
N004	Money Laundering	People	Reasonable		2	4	6		4(1M 3L)	2
N006	Property Services Compliance	Place	Reasonable		3	1	4		1M	3
N024	Premises & Personal Licences	Place	Reasonable			7	7		2 L	5
N027	Fly Tipping	Place	Reasonable	1	3	10	14		1L	13
N029	Section 106	Place	Reasonable		2	2	4		1M	3
Total				1	10	24	35		9	26

2019/20

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not	Overdue	Implemented
Ref				High	Medium	Low		Overdue		
N003	Business Continuity & Emergency Planning	Place	Substantial		1	4	5		1M	4
N009	Payroll	People	Substantial			1	1		1L	
N010	Gifts and Hospitality	People	Reasonable		2	7	9		7 (1M 6L)	2
N014	Commercial and Industrial Property Rents	Place	Substantial	1	3	1	5		2 (1M 1L)	3
N016	Transformation Agenda	People	Reasonable		4		4	4		
N019	Members IT Equipment	People	Reasonable		3		3	3		
N020	Coney Green & Midway Business Centres	Place	Reasonable		2	4	6	4	2 (1M 1L)	
N022	Sundry Debtors	People	Substantial			2	2	2		
N023	Transport	Place	Reasonable		8	1	9	5		4
Total				1	23	20	44	18	13	13

2020/21

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not	Overdue	Implemented
Ref				High	Medium	Low		Overdue		
N001	Data Protection	Corporate Resources	Substantial			3	3	3		
N002	Council Tax	Corporate Resources	Substantial			2	2	2		
N003	Cash and Banking	Corporate Resources	Substantial			1	1	1		
N004	CIPFA Financial Management Code	Corporate Resources	Substantial		1	2	3	3		
N005	Procurement	Corporate Resources	Reasonable		5	1	6	6		
N006	Elections	Corporate Resources	Substantial			1	1	1		
N007	Asset Management	Env & Enforcement	Substantial		2	1	3	1		2
N008	Climate Change	Corporate Resources	Substantial			2	2	2		
N009	Corporate Targets	Corporate Resources	Substantial			1	1	1		
Total				0	8	14	22	20		2

NEDDC Outstanding Recommendations as at 11th November 2020

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
Money Laundering – June 2018	Once the Anti-Money Laundering policy has been updated and approved (as per R1 and R2 above), staff with key roles should be made fully aware of their associated responsibilities and ensure compliance with and awareness of the policy going forward. The policy should also be made available to wider employees via the intranet.	Medium December 2018	This is on the Audit Committee Agenda for November
Money Laundering – June 2018	Reporting of Money Laundering incidents and limits of cash that can be accepted needs to be consistent across all staff guidance and related policies/policy to ensure potential issues are promptly dealt with in line with AML regulations.	Low December 2018	This is on the Audit Committee Agenda for November
Money Laundering – June 2018	A training programme/matrix to be documented in line with the	Low	This is on the Audit Committee Agenda for

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	new regulations (previous training date, records for scope and effectiveness of training) and rolled out for employee's who are working in the "potential risk areas" to keep them updated and refresh their knowledge.	December 2018	November
Money Laundering – June 2018	The Anti-Money Laundering Compliance Officer (as recommended as part of R2) should undertake a periodic review of payments received into NEDDC and BDC sites. This should identify any regular or large payments of cash with a view to highlighting and reporting any potential instances of money laundering.	Low December 2018	This is on the Audit Committee Agenda for November
Property Services Compliance – July 2018	Once the new FM contract is operational a mechanism should be introduced to review and update contract / specification content on an annual basis. This should include, but not be limited to:	Medium 31 st March 2019	This will be implemented once the overall contract is in place

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	<ul style="list-style-type: none"> - Required frequencies of inspections in each compliance area, - Applicable compliance legislation, - Required quality assurance processes to be applied by the contractor, - Performance Indicators for monitoring purposes, - Record retention requirements. 		
Premises & Personal Licences – March 2019	To be compliant with legislation, ensure registers of licences are available and published as soon as possible	Low December 2019	Web connectors have been purchased from Uniform to enable the licensing registers to be published online. This has been delayed by the Covid 19 pandemic. On hold
Premises & Personal Licences – March 2019	Establish a procedure to identify licences that are no longer operational and decide on an appropriate timeframe / regularity for the committee to revoke these	Low July 2020	This work is low priority. It had commenced but has now been affected by the Covid 19 pandemic and is on hold.
Section 106 – April 2019	To ensure that S106 contributions due can be collected promptly, a consistent approach to recording when Planning Officer site monitoring visits have been undertaken	Medium 30 th June 2019	The relevant notes will be updated to ensure site monitoring takes place every 6 months to coincide with official officer updates and reports to planning Committee

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	should be introduced		
Fly tipping May 2019	It should be ensured that the new legislation regarding Duty of Care is reflected within the existing Fly Tipping Policy.	Low December 2019	To begin when the current Environmental Health Services review is completed.
Business Continuity and Emergency Planning – July 2019	To inform the next review of the Strategic Alliance Corporate Business Continuity Plan, service area Business Continuity Plans are created / revisited (including key contacts) with the support of the Senior Emergency Planning Officer.	Medium April 2020	
Payroll – October 2019	Forms that require a signature for authorisation must be checked to the authorised signatory list before payment is made at BDC. It is recommended that discussion are held between Payroll, Finance and HR to update and streamline the authorised signatory process and confirm where responsibilities lie in checking documentation.	Low March 2020	
Gifts and Hospitality – October 2019	Consideration be made to adding an indication on the declaration form if the donor has	Low	Delayed – DOI form review will take place and be rolled out May 21

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	any existing/potential contracts or partnership links to the authority to ensure transparency.	February 2020	
Gifts and Hospitality – October 2019	Consideration be given to publishing the Gifts & Hospitality register on the NEDDC website as part of the transparency agenda.	Low February 2020	Work is underway to develop this, should be delivered by Jan 21
Gifts and Hospitality – October 2019	Consideration be given to adopting a NEDDC gifts & hospitality form/guidance or adopting the BDC documents.	Medium February 2020	
Gifts and Hospitality – October 2019	Development of the “Do it online gifts & hospitality declaration and declaration of interests forms” be undertaken by Officers and Members with authorisation as appropriate.	Low February 2020	Work is underway to develop this, should be delivered by Jan 21
Gifts and Hospitality – October 2019	Sponsorship and advertising is considered for inclusion on the annual declaration.	Low February 2020	Legal Services will keep a centralised register
Gifts and Hospitality – October 2019	Chair’s charity processes are examined to ensure that appropriate separation of duties controls are in place, registers held and best practice on acceptance or rejection of donations issues are	Low February 2020	Civic Officer moved to Governance for delivery of statutory meetings. This will be addressed in the new year.

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	considered.		
Gifts and Hospitality – October 2019	A standardised officer declaration of interests form is considered as a library document to ensure consistency of recorded data.	Low February 2020	
Industrial and Commercial Property Rents – November 2019	To ensure the Council optimises rental income, rent reviews as part of the lease renewal process should be undertaken promptly; the process of which should be embedded within the overarching operational day to day revised procedures. Restated.	Low April 2020	No changes currently within the availability of staff resources – undertaking of reviews and inspection regime impractical within current health crisis.
Industrial and Commercial Property Rents – November 2019	Complex arrears cases should be closely monitored and evidence of discussions with all parties retained. In particular, decisions relating to account D000166 (Holmes) should be made to prevent the level of debt outstanding from increasing and becoming uncollectible.	Medium April 2020	Liaising with Revenues and legal sections to address current historic debt cases to the point of resolution or to recommend for write – off.
Coney Green and Midway Business Centres – March 2020	The lease renewal process should commence at the earliest opportunity ensuring appropriate	Medium	

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
	property inspections have taken place and that a signed lease is held effective for the renewal date. Where existing tenants are allocated an additional unit, the tenant should not be granted access until the lease (or licence of temporary occupation) has been agreed and signed.	August 2020	
Coney Green and Midway Business Centres – March 2020	For transparency, the rationale for not charging a rent deposit should be recorded.	Low March 2020	

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2nd December 2020

<p>Council Plan Targets Performance Update July to September 2020 (Q2 – 2020/21)</p>

Report of the Information, Engagement & Performance Manager

This report is public

Purpose of the Report

- To report the Quarter 2 outturns for the Council Plan 2019-2023 targets.

1 Report Details

- 1.1 The attached contains the performance outturn as of 30th September 2020.
- 1.2 A number of targets have been selected for a review due to the impact and ongoing challenges of Covid 19. Some housekeeping will also be undertaken at this time e.g. remove operational targets and targets that overlap. A report will be going to Cabinet in December.
- 1.2 A summary by council plan aim is provided below:
- 1.3 **Our Economy - Creating a business friendly District that develops skills and jobs**
 - 29 targets in total
 - 9 targets are on track
 - 17 targets are under review as noted above
 - 3 targets have been affected by Covid 19:
 - **ECO 13** - *Hold 4 events annually with further and higher education establishments.* Physical events not appropriate under the Covid restrictions. The further and higher education establishments were invited to participate in the virtual jobs fair which was very successful. Further events are being discussed with the Universities.
 - **ECO 14** - *Deliver the Avenue Schools Challenge annually.* The School Challenge has now closed due to Kier withdrawing their support. The schools involved are being supported by linking them with other development sites when the schools are able to consider site visits.
 - **ECO 20** - *Review resources to ensure tourism is a focus of the Economic Development Team by April 2020.* – Initial delay caused by resources being

switched to Covid related activities. Two interns have been recruited to support the tourism role. Subject to Covid and restrictions they should be in post December/January. The longer term resource provision will be included in the Economic Development restructure for consultation and consideration.

1.4 Our Environment - Protecting and promoting the character of our District

- 16 targets in total
- 5 targets are on track
- 3 targets are under review as noted above
- 1 target has been placed on alert for 2020/21:
 - **ENV 05** - *Deliver 4 proactive planning enforcement exercises per year* - The Planning Enforcement Team continue to work proactively with all relevant colleagues to address enforcement issues as they arise. However, delivering proactive enforcement exercises is proving difficult at the moment due to enforcement capacity and recruitment issues. This target is unlikely to be met for 2020/21.
- 7 targets have been affected by Covid 19:
 - **ENV 03** - *Publish the adopted Planning Enforcement Protocol by 1 April 2020*. A protocol has been considered and approved by the Council's Cabinet. It will be rolled out in quarter 3. (Delay due to impact of Covid on service delivery and resources).
 - **ENV 04** - *Complete review of Planning Enforcement Resources by 1 April 2020* A review has been carried out and considered by the Council's Cabinet. Consultation will follow and subject to the outcome of that consultation recruitment will follow. (Delay due to impact of Covid on service delivery and resources).
 - **ENV 08** - *Develop a Climate Change Communications Strategy by March 2020* Work on hold due to impact of Covid on the Communications Team. An extension to April 2021 will be sought at Cabinet.
 - **ENV 09** - *Develop and deliver 2 climate change community information events per year* School Climate Change Event postponed due to COVID-19 situation. Social distancing requirements and school timetabling mean it is not yet possible to confirm an alternative date.
 - **ENV 10** - *Deliver 1 climate change training event for Parish Councils per year* Recognising that the immediate focus is COVID-19 support, training is scheduled to be delivered at the District Parish Liaison Group to be held on 26.03.21.
 - **ENV 13** - *Increase the number of fixed penalty notices issued for litter and dog fouling offences by 20% per year*. This initiative has been temporarily suspended due to the Covid-19 outbreak, restrictions and diversion of resources.

- **ENV 14** - *Undertake 15 litter picks and Love Where You Live initiatives per year* - This initiative has been temporarily suspended due to the Covid-19 outbreak, restrictions and diversion of resources.

1.5 Our Residents – Enhancing our residents’ quality of life

- 30 targets in total
- 12 targets are on track
- 6 targets are under review as noted above
- 12 targets have been affected by Covid 19:
 - **RES 01** - *Whist maintaining high quality leisure facilities, reduce the annual subsidy of the leisure service year on year* - The Leisure Facilities re-opened on 25th July 2020, following the COVID lockdown, and are operating in line with Government and Industry guidance.
 - **RES 03** - *Increase participation in leisure activities at leisure centres by 5000 visits per year* - As above
 - **RES 04** - *Deliver a health intervention for 258 new attendees per year* – As above. Most people on the scheme had been inactive during lock down and restarted in September. Actual Q2 - 8 against a target of 64.
 - **RES 06** - *Deliver the 10 week, 560 Lifestyle Programme to at least 12 schools across the District (10,000 students per year)* – Programme disrupted by Covid 19. Delivered to 4 primary school in Q2. Figures to be reported in Q3.
 - **RES 07** - *Deliver additional lunch time or after school PE clubs in at least 6 schools per year.* - Due to Covid restrictions some of schools have not been able to accommodate the service during this quarter however activity restarted in a total of three schools.
 - **RES 10** - *Commence direct electronic communications with at least 1000 residents by December 2020* - The Council has just invested in an electronic messaging service and undertaking the relevant training during October 2020. Currently there are 5000 online accounts which will be targeted with the system in the first instance. Project delay due to impact of Covid on the Communications Team.
 - **RES 25** - *Implement the use of a video remote interpreting solution by March* A system has now been successfully procured call Sign Solutions. Once the contract has been signed, implementation discussions and staff training will take place with the provider. A review of ICT requirements at each site will then take place to see if iPads are required or whether the PC's are suitable at each site (Leisure sites and DCO)
 - **RES 26** - *Support at least 20 projects per year through the Community Action Grants Fund* - 3 applications of £500 each had been awarded, with a

further 8 applications to be considered in early October. Summer event/project applications were withdrawn due to Covid 19.

- **RES 27** - *Support at least 4 initiatives per year led by volunteers* - Due to COVID-19 social isolation rules no volunteer-led events were held.
- **RES 28** - *Recruit 8 physical activities champions per year* - To date 0 physical activity champions recruited mainly due to Covid 19.
- **RES 30** - *Provide 10 waste, recycling and environmental advice to schools and community events per year* - Throughout the July to September period no education events have been undertaken due to Covid19 and schools being on lock-down.
- **RES 31** - *Support at least 6 school climate change projects per year* - Eco-Schools grants were to be launched at the June 2020 Schools Climate Change Conference. Consultation with schools following their return to term post-lockdown identified a willingness to participate in Eco-Schools activity from early 2021, to allow two terms for delivery. The grants will be publicised from early November 2020.

1.6 **Our Services - Delivering high quality, cost effective services by engaging with residents, partners and Council staff**

- 22 targets in total
- 16 targets are on track
- 2 targets are under review as noted above
- 1 target has been achieved behind target date:
 - **SER 26** - *Complete review of Planning Enforcement Resources by 1 April 2020*
- 3 targets have been affected by Covid 19:
 - **SER 12** - *Ensure that monthly car parking patrols are undertaken outside schools within the District* - This initiative has been temporarily suspended due to the Covid-19 outbreak.
 - **SER 15** - *Deliver 6 Ward walks per year* - It is still not appropriate to commence this activity due to Covid 19.
 - **SER 16** - *Attend 4 Parish Council Meetings per year* -Successful District Parish Liaison Meeting held on 9th October 2020 engaging with the parishes and updating them on a number of issues including Covid.

2 **Conclusions and Reasons for Recommendation**

- 2.1 Out of the 105 targets 42 (40%) are on track, 25 (24%) have been affected by Covid 19, 1 (1%) achieved behind target, 8 (8%) have been previously achieved, 28 (27%) are under review and 1 (1%) is on alert as it is unlikely to be achieved in 2020/21.

- 2.2 This is an information report to keep Members informed of progress against the council plan targets noting achievements and any areas of concern.

3 Consultation and Equality Impact

- 3.1 None

4 Alternative Options and Reasons for Rejection

- 4.1 Not applicable to this report as providing an overview of performance against agreed targets.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 No finance or risk implications within this performance report. Finance and risk implications will be assessed for individual targets.

5.2 Legal Implications including Data Protection

- 5.2.1 No legal implications within this performance report.

5.3 Human Resources Implications

- 5.3.1 No human resource implications within this performance report.

6 Recommendations

- 6.1 That quarterly outturns against the Council Plan 2019-2023 targets be noted.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	Not applicable
Links to Council Plan priorities or Policy	All





Framework	
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8 Document Information





Appendix No	Title
1	Council Plan Targets Update – Q2 July to Sept 2020
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Kath Drury, Information, Engagement and Performance Manager.	01246 242280

North East Derbyshire District Council
Council Plan Targets Update – Quarter 2 July to September 2020

Status key

Target Status	Usage
 On Track	The target is progressing well against the intended outcomes and intended date.
 Achieved Behind Target	The target has been completed but outside the intended target date
 Alert	The target is six months off the intended completion date and the required outcome may not be achieved.
 Covid - 19 Affected	Performance affected due to Covid 19 Pandemic

Aim: Our Economy - Creating a business friendly District that develops skills and jobs

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
ECO 01 - Develop and adopt a Business Engagement Strategy by the end of March 2020 (to include business start-ups and grant application support)	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Tue-31-Mar-20
ECO 02 - Process all major planning applications 10% greater than the National Target per annum.	Environment	On track		During the quarter 14 major applications were determined and all 14 were determined within the statutory period (100%)	Fri-31-Mar-23
ECO 03 - Process all minor planning applications 10% greater than the National Target per annum.	Environment	On track		During the quarter 29 of 48 applications were determined within the statutory period 60.4% achieved against a target of 70%	Fri-31-Mar-23
ECO 04 - Increase the number	Development	Under		Target under review and included in the light touch review	Fri-31-

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
of Council-owned business premises let by 10% by 2023		Review		report going to Cabinet	Mar-23
ECO 05 - Increase the number of privately owned business premises let by 10% by 2023	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 06 - Measure the %age Increase in average rent values compared to national rates	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 07 - Deliver 3 business engagement events annually	Development	On track		Two Business engagement events have been completed, these have focused on the tourism industry. The first event was to build a relationship with businesses within the tourism sector, a media campaign to contact the businesses was completed by an outside organisation. This was then followed up with a free marketing webinar targeted at Tourism related businesses to support them through the current crisis.	Fri-31-Mar-23
ECO 08 - Undertake 30 diagnostic support packages to businesses through the Growth Hub	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 09 - Develop and implement a North East Derbyshire Employment and Skills Strategy by the end of June 2020 and deliver the action plan by 2023	Development	On track		Strategy and action plan currently being developed and has been shared with D2N2 and the comments received will be incorporated in to the current draft of the strategy. (A time extension to complete the strategy document has been requested under the light touch review of targets).	Fri-31-Mar-23
ECO 10 - Increase the retention rates of local employees	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
ECO 11 - Increase the retention rates of businesses within the District	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 12 - Increase the retention rates of graduates within the District	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 13 - Hold 4 events annually with further and higher education establishments annually	Development	Covid Affected		The FE and HE establishments were invited to participate in the virtual jobs fair. Further events are being discussed with the Universities.	Fri-31-Mar-23
ECO 14 - Deliver the Avenue Schools Challenge annually	Development	Covid Affected		The School Challenge has now closed due to Kier withdrawing their support. The schools involved are being supported by linking them with other development sites, when the schools are able to consider site visits etc.	Fri-31-Mar-23
ECO 15 - Hold an annual jobs fair	Development	On track		A second virtual job fair took place on 30th September and the Universities and local college were invited to promote their opportunities. Employers promoted jobs and apprenticeships on the day and training companies also promoted local training. There were over 40,000 engagements with the job fair on the social media platforms.	Fri-31-Mar-23
ECO 16 - Adopt a tourism strategy by the end of April 2020 and deliver the action plan by 2023	Development	On track		The tourism strategy has been developed and is currently being desktop published. When the final proof is agreed it will be shared with the portfolio holder and others then taken through the approval process. (A time extension to complete the strategy document has been requested under the light touch review of targets).	Fri-31-Mar-23
ECO 17 - Adopt a business engagement strategy to include	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
the promotion of heritage sites and assets by April 2020 and deliver the action plan by 2023					
ECO 18 - Measure the %age of stakeholders who consider the general promotion of the District as a tourism destination to be good	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 19 - Measure the %age of residents indicating that they are satisfied with the local impact of tourism.	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Thu-30-Mar-23
ECO 20 - Review resources to ensure tourism is a focus of the Economic Development Team by April 2020	Development	Covid Affected		Two interns have been recruited to support the tourism role. Subject to Covid and restrictions they should be in post December/January. The longer term resource provision will be included in the Economic Development restructure for consultation and consideration.	Mon-30-Mar-20
ECO 21 - Develop and adopt a Growth Strategy (Local Industrial Strategy) by March 2020 and deliver the action plan by 2023	Development	On track		The Strategy is in final draft stage and is due to be reviewed by the Portfolio holder before wider consultation. The original timescale has slipped due to the impact of the virus and the need to change the priorities within the plan to aid the recovery of NEDDC. (A time extension to complete the strategy document has been requested under the light touch review of targets).	Thu-30-Mar-23
ECO 22 - Increase the number of graduate jobs (relative to the national rate)	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 23 - Increase the number	Development	Under		Target under review and included in the light touch review	Fri-31-

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
of technology based businesses in the District		Review		report going to Cabinet	Mar-23
ECO 24 - Develop and adopt a Commercial Investment Strategy by March 2020 and deliver the action plan by 2023	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 25 - Actively engage and lead on Locality reviews by 2023	Development	On track		Eckington and Killamarsh reports are in draft format, when the preferred option is decided the final stage can be carried out. The Clay Cross Town Investment Plan is due to be submitted on 30th October and the Dronfield Civic centre brief is being produced to guide the redevelopment of that area.	Fri-31-Mar-23
ECO 26 - Increase the number of visitors to the 4 main town centres	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 27 - Increase the number of occupied ground floor retail premises in the 4 main town centres	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 28 - Deliver the Council's Commercial Investment Strategy Action Plan including the viable Town Centre regeneration projects by 2023	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
ECO 29 - Reduce the number of complaints in relation to town centre cleanliness	Environment	On track		In order to measure performance throughout the 2019\20 and 2020\21 periods, a baseline 12 (1 per month\3 per quarter) target is set to measure performance. However, throughout Q2 'zero' complaints were received.	Fri-31-Mar-23

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
			(No complaints received so far during 2020/21).	

Aim: Our Environment - Protecting and promoting the character of our District

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
ENV 01 - Adopt a Local Plan and associated policies	Environment	On track	The Plan is progressing through the Examination Stage and subject to approval at Cabinet on 29 October 2020, public consultation is scheduled to commence on the Inspector's proposed Main Modifications to the Plan during November and December this year.	Fri-31-Mar-23
ENV 03 - Publish the adopted Planning Enforcement Protocol by 1 April 2020	Environment	Covid affected	A protocol has been considered and approved by the Council's Cabinet. It will be rolled out in quarter 3. (Delay due to impact of Covid on service delivery and resources).	Wed-1-Apr-20
ENV 04 - Complete review of Planning Enforcement Resources by 1 April 2020	Environment	Covid affected	A review has been carried out and considered by the Council's Cabinet. Consultation will follow and subject to the outcome of that consultation recruitment will follow. (Delay due to impact of Covid on service delivery and resources).	Fri-31-Mar-20
ENV 05 - Deliver 4 proactive planning enforcement exercises per year	Environment	Alert	The Planning Enforcement Team continue to work proactively with all relevant colleagues to address enforcement issues as they arise. However, delivering proactive enforcement exercises is proving difficult at the moment due to enforcement capacity and recruitment issues. This target is	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
				unlikely to be met for 2020/21.	
ENV 06 - Reduce the District Council's carbon emissions by - 100 tonnes CO2 in 20/21 -	Corporate Resources	On track		The Council are on track to deliver significantly higher CO2 emission reductions than the targeted 100 Tonnes. In the main this will be delivered through reduced commuting/travel, new efficient boilers at Mill Lane and the closure of leisure facilities during lockdown.	Fri-31-Mar-23
ENV 07 - Install 10 EV charging points across the District by 2023	Corporate Resources	On track		Work to explore the potential for installation of Workplace EV charge points at NEDDC operational facilities (Mill Lane, Pioneer House, Eckington Depot and Coney Green Business Centre) has resumed following initial Covid impact on resources. Site surveys will be undertaken shortly and potential funding via the Government OLEV Workplace Charging Scheme (WCS) grant is being explored. The potential for off street parking will also be considered subject to the availability of funding and identification of suitable locations.	Fri-31-Mar-23
ENV 08 - Develop a Climate Change Communications Strategy by March 2020	Corporate Resources	Covid affected		Work on hold due to impact of Covid on the Communications Team. Lead officer has requested an extension to April 2021.	Fri-31-Mar-20
ENV 09 - Develop and deliver 2 climate change community information events per year	Corporate Resources	Covid affected		School Climate Change Event postponed due to COVID-19 situation. Social distancing requirements and school timetabling mean it is not yet possible to confirm an alternative date.	Fri-31-Mar-23
ENV 10 - Deliver 1 climate change training event for Parish Councils per year	Corporate Resources	Covid affected		Recognising that the immediate focus is COVID-19 support, training is scheduled to be delivered at the District Parish Liaison Group to be held on 26.03.21.	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
ENV 11 - Undertake 2 community events per year	Corporate Resources	Under Review		Target under review and included in the light touch review report going to Cabinet & Council	Fri-31-Mar-23
ENV 13 - Increase the number of fixed penalty notices issued for litter and dog fouling offences by 20% per year	Environment	Covid affected		This initiative has been temporarily suspended due to the Covid-19 outbreak.	Fri-31-Mar-23
ENV 14 - Undertake 15 litter picks and Love Where You Live initiatives per year	Environment	Covid affected		This initiative has been temporarily suspended due to the Covid-19 outbreak.	Fri-31-Mar-23
ENV 15 - Ensure monthly meetings of the Corporate Enforcement Group take place	Environment	Under Review		Target under review and included in the light touch review report going to Cabinet & Council	Fri-31-Mar-23
ENV 16 - Measure %age of all reports of fly-tipping referred for investigation to be responded to within 3 working days (set baseline in 19/20 for 20/21 onwards)	Environment	On Track		98%% of all reports of fly-tipping referred for investigation were responded to within 3 working days	Fri-31-Mar-23
ENV 17 - Measure %age of cases of waste crime (Duty of Care and fly-tipping) where sufficient evidence to prosecute has been identified, are progressed to legal services, with a prosecution file, within 60 days (set baseline in 19/20 for 20/21 onwards)	Environment	On Track		100% of cases of waste crime (Duty of Care and fly-tipping) where sufficient evidence to prosecute have been identified and progressed to legal services, with a prosecution file, within 60 days	Fri-31-Mar-23
ENV 18 - Increase the use of	Environment	Under		Target under review and included in the light touch	Fri-31-

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
organic herbicide treatments within the StreetScene Service by 2023		Review	review report going to Cabinet & Council	Mar-23

Aim: Our Residents - Enhancing our residents' quality of life

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
RES 01 - Whist maintaining high quality leisure facilities, reduce the annual subsidy of the leisure service year on year.	Corporate Resources	Covid Affected	The Leisure Facilities re-opened on 25th July 2020, following the COVID lockdown, and are operating in line with Government and Industry guidance. This means that all areas of activity are greatly reduced e.g. the swimming pools at Dronfield Sports Centre would normally accept 90 bathers but this is currently 28. This is impacting immensely on throughput and customer confidence has not yet returned in full. The facilities are at approx. 60% attendance against the previous year. Funds to support the service will be received through the furlough scheme and the Local government income compensation scheme. Improvements at Eckington Swimming Pool have been approved by Cabinet and works are expected through 2021 to improve the overall efficiency of the facility.	Fri-31-Mar-23
RES 02 - Run 12 community initiatives per year	Corporate Resources	On track	Many of our planned activity for this quarter is not able to take place due to larger group meetings restrictions along with some venues and partners still recovering from COVID. However we have seen the	Fri-31-Mar-23

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update		Target Date
				return of 5 walking for Health groups this quarter along with the Water wellbeing session at Sharley Park Leisure Centre.	
RES 03 - Increase participation in leisure activities at leisure centres by 5000 visits per year	Corporate Resources	Covid affected		The Leisure Facilities re-opened on 25th July 2020, following the COVID lockdown, and are operating in line with Government and Industry guidance. This means that all areas of activity are greatly reduced e.g. the swimming pools at Dronfield Sports Centre would normally accept 90 bathers but this is currently 28. This is impacting immensely on throughput and customer confidence has not yet returned in full. The facilities are at approx. 60% attendance against the previous year. Total attendance for Q2 (25/07/20 to 30/09/20) was 75,140 against set target (pre-COVID) of 183,775.	Fri-31-Mar-23
RES 04 - Deliver a health intervention for 258 new attendees per year	Corporate Resources	Covid affected		Leisure centres re-opened end of July, but Exercise by Referral not re-started until September due to high level of vulnerable people. Most people on scheme had been inactive during lock down and restarted in September. Target Q2 - 64 Actual Q2 - 8	Fri-31-Mar-23
RES 05 - Deliver the PALS service to 40 residents per year and report on the socio economic and health benefits	Corporate Resources	On track		No further PALS have been recruited in the quarter, running total 32.	Sun-31-Mar-19
RES 06 - Deliver the 10 week, 560 Lifestyle Programme to at least 12 schools across the District (10,000 students per year)	Corporate Resources	Covid affected		Delivering to 4 primary school in this quarter, further figures around throughput and number of sessions is not currently available. To be reported at Q3.	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
RES 07 - Deliver additional lunch time or after school PE clubs in at least 6 schools per year.	Corporate Resources	Covid affected		Due to Covid restrictions some of our schools have not been able to accommodate us during this quarter however we have restarted activity in a total of three schools. Sessions and throughout data will be available shortly. We aim to be back in all schools by the end of October.	Fri-31-Mar-23
RES 09 - Deliver the Corporate Communications Strategy Action Plan by 2023	Corporate Resources	On track		A number of significant projects are progressing with the investment in Electronic Messaging Service and joint advertising project with Derbyshire County Council.	Fri-31-Mar-23
RES 10 - Commence direct electronic communications with at least 1000 residents by December 2020	Corporate Resources	Covid affected		The Council has just invested in an electronic messaging service and undertaking the relevant training during October 2020. Currently there are 5000 online accounts which will be targeted with the system in the first instance. Project delay due to impact of Covid on the Communications Team.	Thu-31-Dec-20
RES 11 - Increase social media posts to at least 180 per quarter	Corporate Resources	On track		The combined Q2 number of social media posts are approximately 250 posts.	Fri-31-Mar-23
RES 12 - Improve the overall performance and usability of the website by achieving a maximum score of 4 on 'BetterConnect website report' by Dec 2022.	Corporate Resources	On track		This quarter the focus has been significantly improving the accessibility of the website. In October, the Government Digital Service tested the accessibility of the website on behalf of Equality and Human Rights Commission and found the website and accessibility statement to be compliant.	Fri-31-Mar-23
RES 13 - Ensure that at least 50% of transactions are made through digital channels by Dec 2024	Corporate Resources	Under Review		Target under review and included in the light touch review report going to Cabinet	Tue-31-Dec-24
RES 14 - Reduce and improve the	Development	Under		Target under review and included in the light touch	Fri-31-

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
number of non-traditional properties		Review		review report going to Cabinet	Mar-23
RES 15 - Improve the standard of council-owned properties each year	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
RES 16 - Ensure home ownership models to equate to 25% of affordable homes requirement on new developments	Development	On track		Housing Strategy are asking that home ownership models are 25% of the affordable housing requirement. Housing Strategy are also working with Shared Ownership providers to bring forward units additional to the S106 requirement. At this point the sites have not progressed but the discussions are continuing.	Mon-30-Mar-20
RES 17 - Maximise opportunities within the HRA to provide new shared ownership properties by 2023	Development	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
RES 18 - Reduce rough sleeping to zero by 2023	Development	On track		1 recorded rough sleeping in Q2 In Quarter 2 we opened 55 cases: 32 prevention cases where people were threatened with homelessness 23 relief cases where people were already homeless The National average for cases opened at prevention stage is 55% In Q2 the NEDDC average for cases opened at the prevention stage is 59%, a 16% increase on Q1.	Fri-31-Mar-23
RES 19 - Apply the Council Tax discount for care leavers each year for the lifetime of the Plan	Corporate Resources	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
RES 20 - Create at least 4 apprenticeship opportunities by 2023	Corporate Resources	On track		Apprenticeship opportunities are currently being reviewed and discussions with managers are continuing.	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
RES 21 - Invest in voluntary and community organisations to assist over 20,000 vulnerable and disadvantaged households per year	Corporate Resources	On track		Following independent review of data, adjustment to confirm 29,396 vulnerable and disadvantaged households were assisted by advice and VCS infrastructure agencies commissioned by the Council during 2019/20.	Fri-31-Mar-23
RES 22 - Re-sign and launch the Armed Forces Covenant and deliver the action plan by 2023	Corporate Resources	On track		The Council was presented with an Employee Recognition Service Silver Award on 28.07.20. Due to the COVID-19 situation a VJ Day75 celebration was not arranged although the national celebration was shared via NEDDC social media. Discussions to hold a VE & VJ Day75+1 celebration to be held in 2021 have commenced.	Fri-31-Mar-23
RES 23 - Develop an Older People's Strategy by September 2020 and deliver the Action Plan by 2023	Corporate Resources	On track		A monitoring framework has been developed and discussions are taking place with departments and partner agencies on how to deliver existing and new actions; DCC Public Health has indicated that it will fund actions which appropriately meet shared Older People priorities. A digital survey to identify residents' ICT usage and barriers will be distributed to every household within the November edition of The News and analysed in the new year.	Fri-31-Mar-23
RES 24 - Develop the British Sign Language Action Plan by April 2020 for implementation in full by December 2023	Corporate Resources	On track		Draft report and action plan discussed with the British Deaf Association in September. Service areas such as Communications and Leisure have already put some improvements in place. Awaiting finalised report from the BDA before reporting on progress formally.	Fri-31-Mar-23
RES 25 - Implement the use of a video remote interpreting solution by March	Corporate Resources	Covid affected		A system has now been successfully procured call Sign Solutions. Paper work is now with the Legal	Tue-31-Mar-20

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
2020			Department to draw up the relevant contract, once the contract has been signed, implementation discussions and staff training will take place with the provider. A review of ICT requirements at each site will then take place to see if iPads are required or whether the PC's are suitable at each site (Leisure sites and DCO)	
RES 26 - Support at least 20 projects per year through the Community Action Grants Fund	Corporate Resources	Covid affected	By the quarter end 3 applications of £500 each had been awarded, with a further 8 applications to be considered in early October. The CAG will now operate on a rolling programme (bids considered as they are received) until 31.12.20 and the fund will be regularly publicised through the Council's communication channels. Should all funding not be allocated a further opportunity to bid before 31.03.21 will be publicised early in the new year. (Earlier bids in connection with summer events were cancelled due to Covid so the number of projects supported to date is lower than expected).	Fri-31-Mar-23
RES 27 - Support at least 4 initiatives per year led by volunteers	Corporate Resources	Covid affected	Due to COVID-19 social isolation rules no volunteered events were held. Guidance and information was widely shared through VCS infrastructure agencies and directly to local groups and volunteers who were providing a community-level response to the situation.	Fri-31-Mar-23
RES 28 - Recruit 8 physical activities champions per year	Corporate Resources	Covid affected	To date 0 physical activity champions recruited mainly due to COVID	Fri-31-Mar-23
RES 29 - The Environmental Health Team to attend one Parish or Town	Environment	Under Review	Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
Council meeting per month to promote options for community involvement and resources for Keep Britain Tidy campaigns					
RES 30 - Provide 10 waste, recycling and environmental advice to schools and community events per year	Corporate Resources	Covid affected		Throughout the July to September period no education events have been undertaken due to Covid19 and schools being on lock-down. However, continued education and awareness raising has been undertaken throughout this period with customers whose burgundy bin collections may have been delayed due to issues of contamination. Given learning priorities at this time and social distancing requirements, no school events are anticipated in the near future.	Fri-31-Mar-23
RES 31 - Support at least 6 school climate change projects per year	Corporate Resources	Covid affected		Consultation with schools following their return to term post-lockdown identified a willingness to participate in Eco-Schools activity from early 2021, to allow two terms for delivery. The grants will be publicised from early November 2020.	Fri-31-Mar-23

Aim: Our Services - Delivering high quality, cost effective services by engaging with residents, partners and Council staff

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
SER 01 - Deliver 22 service reviews by 2021	Corporate Resources	On track		In line with the recent Cabinet report, all Service Reviews will be undertaken as part of the Service Plan process which is due to be complete 31 Oct 2020.	Wed-31-Mar-21
SER 02 - Deliver 4 employee liaison meetings annually	Corporate Resources	On track		Implemented and undertaken on a quarterly basis	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
SER 03 - Deliver £2m savings through the Transformation Programme by 2023 <u>Note:</u> Programme 2 started in 2018/19.	Corporate Resources	On track		In July 20, a Cabinet Transformation Update report agreed 7 strategic projects which would deliver financial improvements in the region of £0.5m. To date £435k savings have been realised. Projected savings by the end of March 2021 is circa £1m.	Fri-31-Mar-23
SER 04 - Deliver 100 hours leadership training per year	Corporate Resources	On track		As Quarter one - online training has taken place within the Council such as Recruitment & Selection	Fri-31-Mar-23
SER 05 - Ensure that at least 50% of transactions are made through digital channels by Dec 2024	Corporate Resources	On track		Baseline is 29.98%. Digital transactions counted are all Self Service, automated telephone and online payments, kiosk payments etc. Non-Digital is calls, face to face, webchat, email, text etc taken by contact centre only (no other reliable stats have been provided). In comparison, based on the same criteria, Q1 of 2020-12 is 45.8% digital.	Tue-31-Dec-24
SER 06 - Provide self-service access to all service areas by 2023	Corporate Resources	On track		Use of Self Service by service areas continues to increase. Most service areas have access (all who have a need) to Self Service but the level of use needs to increase further. Environmental Health and Streetscene are key users, Revenues are increasing their use via increasing online forms. Emerging users are Leisure, Communications, Planning and Economic Development. The need for COVID-19 related forms and online services has reduced and therefore time is being spent on improving existing forms and creation of new online services. LEAN reviews may be needed to help service areas identify where services can be moved online.	Fri-31-Mar-23

Council Plan Target	Directorate	Status		Q2 2020/21 Progress Update	Target Date
SER 11 - Increase enforcement activity and the number of positive enforcement actions by XXXX to tackle and resolve crime and ASB	Environment	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
SER 12 - Ensure that monthly car parking patrols are undertaken outside schools within the District	Environment	Covid affected		This initiative has been temporarily suspended due to the Covid-19 outbreak.	Fri-31-Mar-23
SER 13 - Review enforcement services and develop an action plan by 31st December 2019	Environment	On Track		A review of enforcement services has been completed and Cabinet are considering recommendations on 12 th November. The Service will develop and deliver a 2020-23 Environmental Health improvement programme when the recommendations are implemented and staff are in post	Tue-31-Dec-19
SER 14 - Implement the enforcement review findings and action plan (update KPI with relevant actions following review)	Environment.	On Track		A review of enforcement services has been completed and Cabinet are considering recommendations on 12 th November. The Service will develop and deliver a 2020-23 Environmental Health improvement programme when the recommendations are implemented and staff are in post	Fri-31-Mar-23
SER 15 - Deliver 6 Ward walks per year	Corporate Resources	Covid affected		It is still not appropriate to commence this activity - review again in Q3.	Fri-31-Mar-23
SER 16 - Attend 4 Parish Council Meetings per year	Corporate Resources	Covid affected		Successful District Parish Liaison held on 9th October meeting engaging with the parishes and updating them on a number of issues including Covid.	Fri-31-Mar-23
SER 17 - Undertake an annual customer satisfaction survey	Corporate Resources	Under Review		Target under review and included in the light touch review report going to Cabinet	Fri-31-Mar-23
SER 18 - Review the Council's Petition Scheme by Annual Council	Corporate Resources	On track		The Monitoring Officer has discussed this with the Leader and will be bringing forward a report in the new	Tue-31-Mar-20

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update	Target Date
2020			year to Standards Committee.	
SER 19 - Achieve a combined recycling and composting rate of 50% by March 2023	Environment	On track	Performance is estimated on Q2 (2019\20) Waste Data Flow information due to the data not being available until ending Dec 2020. During the prior period, 6031.16 tonnes of recyclable\compostable waste was diverted, yielding a recycling rate of 57.3 % between July and Sept 2019. Combined estimated recycling rate for Q1 and Q2 is 52.7 %. Arising from Covid19 affecting green and burgundy bin collections, combined performance was 4% lower than the same (Q2) period in 2019\20. <u>Q1 actual</u> performance, 4693.85 tonnes of recyclable\compostable waste was diverted, yielding a combined recycling rate of 48.1 % between April and June 2020. Given green bin collections were suspended arising from Covid19 (10.4.20 to 18.5.20) the combined performance was lower than would normally be expected (51.9%).	Fri-31-Mar-23
SER 20 - Place 2 recycling promotions in NEDi News annually	Environment	On track	An article is in production for placement in Winter edition of the The News informing of green bin collection suspension arrangements and promoting waste recycling (Burgundy Bin) to facilitate increased waste diversion from the residual waste (Black Bin) stream, reducing reliance of landfill and/or heat treatment.	Fri-31-Mar-23
SER 21 - Undertake Local Environmental Quality Surveys to establish 96% relevant land surveyed meets grade B or higher cleanliness standards in line with	Environment	On track	LEQS's established 3.78 % of streets and relevant land surveyed fell below grade B cleanliness standards resulting in 96.22 % meeting the target standard. Combined rounded annual performance is 4 % meeting the 96% target.	Fri-31-Mar-23

Council Plan Target	Directorate	Status	Q2 2020/21 Progress Update		Target Date
Code of Practice for Litter and Refuse					
SER 22 - Undertaking cleansing of all District estate roads at least 4 times per year	Environment	On track		Urbanised housing estate street cleansing is scheduled on quarterly frequencies and performance is measured by way of operational cleansing program returns. Following the impact of Covid-19, service delivery has returned to near-normal arrangements.	Fri-31-Mar-23
SER 23 - Complete the review of Planning Committee processes by 1 May 2020. Complete the implementation of all agreed actions by 1 May 2021.	Environment	On track		A number of processes have recently been amended. Work continues to review the working of the Council's Planning Committee and further recommendations will be made in due course.	Sat-1-May-21
SER 24 - Have first customer feedback survey ready by 1st April 2020	Environment	On track		The customer feedback survey in relation to Planning Committee is currently being developed and will be ready for use for 2020/21 year	Wed-1-Apr-20
SER 25 - Publish the adopted Planning Enforcement Protocol by 1 April 2020.	Environment	On track		The protocol is still being considered by Members	Wed-1-Apr-20
SER 26 - Complete review of Planning Enforcement Resources by 1 April 2020.	Environment	Achieved behind Target		The review has been completed and recruitment/consultation on additional resource is currently being undertaken.	Wed-1-Apr-20

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2 December 2020

Risk Management

Report of the Director of Corporate Resources

This report is public

Purpose of the Report

- To update Members of the Audit and Corporate Governance Scrutiny Committee of the current position regarding Risk Management arrangements and the Strategic Risk Register as at November 2020.

1 Report Details

Background

- 1.1 The risks facing the Council are many and varied and the approach to managing those risks should be applied within decision making processes. Risks will change over time so need continual monitoring, the approach to risk management should also be continuous with a structured review process. A comprehensive review of the Council's risk management framework has now taken place to ensure that the continued effective and systematic management of risk is achieved.
- 1.2 The attached 'Risk Management Strategy' (**Appendix 1**) was approved by Cabinet in March 2020 and includes;
 - The nature of 'risk' both the 'threats' and the 'opportunities'
 - The benefits of a robust risk management approach
 - The Council's risk appetite
 - Risk categorisation – *Operational, Governance, Strategic*
 - Project and Partnership risk
 - The Council's risk management approach and arrangements including a new 'Risk Management Group'
 - Roles and responsibilities including *Senior Risk Officer* and *Senior Information Risk Officer* (SRO and SIRO)
- 1.3 This Strategy sets out the mechanisms and processes for both the maintenance and development of Risk Management within the Council's operational framework. Whilst the main focus of the arrangements set out within this Strategy will be in respect of the Council's own activities, it also recognises that key elements of the Council's service delivery may well be delivered by way of Partnership working. Accordingly the Council's own risk management approach

needs to ensure that the risks arising from partnering with others are appropriately addressed as part of this Strategy.

- 1.4 The Strategy details the need for the Council to be risk aware rather than risk averse as the decision whether to accept risk should be taken in light of the potential benefits of a proposed course of action. The extent to which the Council is risk averse, will undoubtedly impact on its potential to progress available opportunities to secure benefits for local residents.
- 1.5 Risk management, both in the identification of risks and the action taken to address the risks, needs to be flexible and have the ability to respond to change. National policies, service delivery arrangements, national and local circumstances, together with Council priorities will change and evolve over time. Risk Management focus and arrangements need to adjust in order to ensure that current threats and opportunities are effectively addressed and not stifled by inappropriate risk management arrangements.
- 1.6 The Strategy also details the need to establish a 'Risk Management Group'. This should be elected Member led and will include the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group will provide a comprehensive oversight of risk throughout the organisation and be the conduit to and from the whole organisation in terms of risk management.
- 1.7 The group will 'regularly' and 'consistently' oversee, at least quarterly, all of the risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself. It will be responsible for risk management reporting to stakeholder groups across the Council and support the production of the Annual Governance Statement. The group will lead on the development and review of all risk related policies, plans and strategies across the Council and will oversee and champion the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture.
- 1.8 Although approved in March 2020, the COVID-19 pandemic resulted in the Council having to focus much of its efforts on the initial response and later the recovery phase of dealing with the impact upon the organisation, businesses and wider community – as such the implementation of the Risk Management Strategy and action plan has been delayed. The inaugural meeting of the new Risk Management Group was held in late summer 2020.

Update of the Risk Management Group

- 1.9 The newly established group agreed a standard agenda for future meetings which includes the following;
 - Review of the Strategic Risk Register
 - Review of the Operational Service Area Risk Registers
 - Review of the Partnership and Project Risk Registers
 - Identification of new or emerging risks
 - Risk Management Strategy action plan implementation and review
 - Risk related policies, plans and strategies review – across the organisation

- COVID specific issues

1.10 The group have now produced new risk register templates for *Strategic, Operational, Partnership* and *Project* related risks. These are centrally stored and maintained by the group who will review the registers at each of the Risk Management Group meetings. Heads of Service are currently reviewing their Operational Service Area risk registers. Future reports to this committee will include changes/additions/omissions from these registers along with the rationale for these.

1.11 The group reviewed the Council's Strategic Risk Register which has been developed with consideration to the strategic risks which have been identified previously by Members and Officers as part of the Council's risk, service management and quarterly performance arrangements.

1.12 The revised Strategic Risk Register as at November 2020 is set out in **Appendix 2** for consideration by this Committee. The intention is that this review of the Register will secure the following objectives:

- Identify any newly emerging risks which need to be added to the Register and removing any risks that have been resolved to maintain a focus on current risks.
- To revisit risk score assessments and ensure that appropriate mitigation remains in place.

1.13 A significant change to note is the inclusion of a COVID-19 specific Strategic Risk - *Failure to address the impact of COVID-19 upon the organisation, local economy and community*. The Consequence of a failure to address this risk include the following;

- Inability to deliver services or service failure
- Loss of income to the Council
- Inability to provide safe working environment resulting in COVID contamination and infection
- Adverse impact on employee health
- Inability to change the Councils 'ways of working' to meet the current challenges
- Increased Cybersecurity and ICT related risk due to remote working increase
- Inability to deliver strategic plans and ambitions
- Inability to support local businesses and employers
- Inability to support the community and in particular vulnerable people

Action to mitigate against this risk include the following;

- The Council plays an active role in the Local Resilience Forum (LRF) and network of sub groups taking part in very frequent meetings and working to effectively and collectively tackle the impact of COVID within the County. This forum includes many agencies across the public sector spectrum including emergency services, NHS, Public Health and others

- The Council has in place effective business continuity and emergency action plans which enabled the effective and efficient deployment and diversification of resources to ensure service resumption, business and community support in the initial response phase of the COVID-19 pandemic
- The Council have in place robust recovery plans

2 Conclusions and Reasons for Recommendation

- 2.1. The Council have in place a robust Risk Management Strategy and action plan which enables the organisation to manage the many and varied risks facing the Council. The approach to managing those risks is applied within decision making processes and is continuous with a structured review process overseen by the Risk Management Group.
- 2.2 The Risk Management Group is elected Member led and includes the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation and is now becoming the conduit to and from the whole organisation in terms of risk management. The Risk Management Group is now able to provide risk management reporting to stakeholder groups across the Council and will support the production of the Annual Governance Statement.
- 2.3 The Risk Management Group have made significant progress in ensuring that risk is effectively managed within the organisation. By leading on the development and review of all risk related policies, plans and strategies across the Council, the Risk Management Group will provide consistency of approach and alignment of all service areas in relation to risk management. By overseeing and championing the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture, the Risk Management Group will be pivotal in the organisations future success.

3 Consultation and Equality Impact

- 3.1. There are no consultation or equalities issues arising from this report which necessitate a formal consultation process. The new Strategy has however included consultation with; SAMT; Audit and Corporate Scrutiny Committee and Cabinet previously.

4 Alternative Options and Reasons for Rejection

- 4.1. Under relevant good practice and to facilitate the development of robust managerial arrangements the Council is required to prepare a Strategic Risk Register as part of its risk management framework. This report is intended for Members and Officers to consider both the Strategic Risk Register, together with the Council's wider framework for managing risk and partnerships. Given the importance of these arrangements for the overall governance of the Council it is necessary to subject them to regular review. The alternative of not providing this is therefore rejected.

5 Implications

5.1 Finance and Risk Implications

5.1.1 There are no additional financial implications arising out of this report. Whilst, where appropriate, additional mitigation measures have been identified and implemented during the course of preparing the Strategic and Operational Risk Registers, the cost of implementing this mitigation will be met from within previously agreed budgets.

5.1.2 Risk Management Issues are covered throughout the body of the main report.

5.2 Legal Implications including Data Protection

5.2.1 There are no legal or data protection issues arising directly out of this report.

5.3 Human Resources Implications

5.3.1 There are no human resource issues arising directly out of this report.

6 Recommendations

6.1. That the Audit and Corporate Governance Scrutiny Committee notes the report and Strategic Risk Register as at November 2020 as set out in **Appendix 2**.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	None directly
Links to Corporate Plan priorities or Policy Framework	All

8. Document Information

Appendix No	Title
1	Strategic Risk Register as at November 2020

Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Service Area Operational Risk Registers	
Report Author	Contact Number
Lee Hickin – Director of Corporate Resources	7218



RISK

Management Strategy — 2020

*Managing the
threats, maximising
the opportunities*



**North East
Derbyshire**
District Council

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Introduction

When we think of 'Risk' most of us are conditioned to think of this in a negative sense - the risk of a negative outcome. Increasingly however, there is a realisation that risk is a double sided concept, with both positive and negative outcomes. To manage risk effectively we need to perhaps think of risk as 'uncertainties that affect us' - not all of which are bad. In other words; an uncertainty that, if it occurs, will have a negative effect might be seen as a **Threat**, whereas an uncertainty that, if it occurs, will have a positive effect might be known as an **Opportunity**. Both of these are 'uncertainties that affect us'.

Risk is integral to everything we do, every action we take, every decision we make - part of our everyday. Whether we realise it or not we are managing risk constantly - it is our attempt to prevent something going wrong and causing us harm or helping something to go well and producing benefits. When driving we will wear a seatbelt, when it comes to our money we will keep it in a bank and when the clouds are grey we might choose to take an umbrella with us on our way to work... these are all risk management decisions and actions designed to either reduce the potential consequence or support the realisation of the benefits associated with our actions.

None of these 'risk management' decisions and actions however, will either remove the threat or guarantee the benefits completely... for example; wearing a seatbelt will not remove the risk of accident or injury, it may however allow us to manage the risk to a level that allows us to make the decision to drive a car. If

our aim is to remove the threats associated with driving the car completely, then we simply don't drive the car - this would of course also result in the loss of the possible benefits resulting from driving the car. Taking risks therefore is an inevitable part of our daily lives - without risk taking we simply could not advance, progress and achieve.

Risks will however be interpreted differently by each individual because we all have a different perception of the threat or opportunity depending on our propensity to take risk or avoid it. Using the car as an example, wearing a seatbelt and driving at a certain speed will be enough for some of us to manage the threat presented whilst enjoying the benefits, for others they may choose to manage this threat further by avoiding a motorway or driving at busy times, this approach will of course impact upon the benefits or opportunities too. This is known as our **Risk Appetite**, the level of risk that an individual is prepared to take in order to pursue their goals.

When considering the business of the Council, the same principles apply. Risk taking is something we simply can't avoid... therefore, the success and operability of our organisation depends on how well we manage our risks. We need to know what they are, understand them, identify ways to mitigate or exploit them and control them in line with our organisational risk appetite. Where risks are effectively managed, the chances of achieving our objectives will be optimised. Conversely, poor risk management will reduce the likelihood of success.

Scope and Objectives

This Strategy sets out the mechanisms and processes for both the maintenance and development of Risk Management within the Council's operational framework. Whilst the main focus of the arrangements set out within this Strategy will be in respect of the Council's own activities, it also recognises that key elements of the Council's service delivery may well be delivered by way of Partnership working. Accordingly the Council's own risk management approach needs to ensure that the risks arising from partnering with others are appropriately addressed as part of this Strategy.

Our organisation needs to be risk aware rather than risk averse as the decision whether to accept risk should be taken in light of the potential benefits of a proposed course of action. The extent to which the Council is risk averse, will undoubtedly impact on its potential to progress available opportunities to secure benefits for local residents.

Risk management, both in the identification of risks and the action taken to address the risks, needs to be flexible and have the ability to respond to change. National policies, service delivery arrangements, national and local circumstances, together with Council priorities will change and evolve over time. Risk Management focus and arrangements need to adjust in order to ensure that current threats and opportunities are effectively addressed and not stifled by inappropriate risk management arrangements.

The Council is committed to maintaining, developing and actively monitoring the operation of a formal and systemic approach to Risk Management. The key objectives of this Strategy are as follows:

- To operate in line with best practice and update our approach to reflect evolving best practice
- To protect service delivery arrangements, the reputation and the financial position of the Council by managing risk effectively
- To maintain and strengthen robust managerial and governance arrangements within the Council
- To promote risk awareness, risk intelligence and risk management throughout the Council
- To ensure programme, project and partnership risk is effectively managed
- To ensure there are clear roles, responsibility and accountability for risk management within the Council
- To ensure the effective identification of risks relating to service delivery, a new project, new initiative, external origins or circumstance to ensure fully informed decisions are made and measures to mitigate or exploit are in place
- To ensure that the Council has a fully informed level of awareness of its overall risk exposure

Benefits of Risk Management

The challenges faced by local government in recent years have been significant often resulting in a great deal of uncertainty - 'uncertainty that affects us' or in other words 'risk'. Our ability to manage these risks or those 'uncertainties that affect us', both the threats and the opportunities, will have a direct bearing on the Council's ability to succeed.

Risk management is a tool and should not be seen as something we 'must do' but rather something we 'need to do' to achieve the Council's objectives. It is an essential tool in helping to bring a greater level of understanding of those risks; it enables the Council to be more prepared, more resilient to change, more able to minimise threats and more able to seize opportunities.

Below are a number of widely accepted benefits resulting from the effective management of risk:

**Improved
efficiency of
services**

**Reduced likelihood
of workplace
accidents**

**Protection
of financial
resources**

**Maximised
opportunities**

**Better
mitigation of
risks**

**Protection of
Council assets**

**Improved delivery
of intended
outcomes**

**Demonstrable
good
governance**

**Improved business
and service
planning**

**Protected
reputation of
the Council**

**Enhanced
community
support and trust**

**Increased
effectiveness
of business
transformation**

**Greater
achievement of
Council objectives**

**Greater level
of insight**

**Improved
management
information**

Risk Categorisation



Risk management is a complex subject due in part to the multi-dimensional nature of the risks that we face, the illustration on the previous page highlights some of these along with a high level categorisation of risk types. Some risk areas will have varying risk types, for example; Financial risks may be identified within all broad risk type categories; Strategic - perhaps due to legislative change; Operational - service area budgets; and Governance - the way we deal with our Treasury Management for instance. The endless nature of risk management makes it impossible to list every single risk and future risk specifically within this document, the following areas do however provide an approach that will support the identification and appropriate management of risks in the context of our organisation.

Strategic Risks

Strategic Risks are those which have the potential to have a significant impact upon the Council as a whole. Such risks might include; changes in government policy; legal and regulatory change; Brexit; environmental and social factors and high operational risk factors such as investment, safeguarding and emergency planning. Due to the nature and scale of the possible threat and potential opportunity arising from this level of risk, strategic risks should be owned by the Senior Management Team.

In order for the Council to have a clear overall position in relation to its strategic risks and to be able to track and review them regularly, strategic risks will be contained within the Council's **Strategic Risk Register**. This register identifies the strategic risks facing the Council so that elected Members and senior management

can make informed decisions and prioritise actions, with these high level risks in mind.

Operational Risks

Operational Risks are those that relate to a given service area which have the potential to have a significant impact on the delivery of that service. These might include; human resources; health and safety; procurement; asset management and systems failure. These risks are more closely associated with the 'day to day' operation of the service areas within the Council, service based risks that may prevent individual service aims and objectives being met.

Risks within this category are identified, assessed and dealt with within the operational service area. These risks are contained within an **Operational Risk Register** that is unique to the given service area, although the process by which they are managed remains the same as those of a strategic nature.

Governance Risks

Governance related risks are those that relate to 'how we do things' as an organisation, including; how we manage our risks. These might also include; the Council's Constitution; data protection; policy and strategy; leadership and accountability; contracting arrangements and performance management. As with high level operational risks, governance related risks might also be managed as strategic risks, depending upon the nature and scale of the risk. Ordinarily however, these risks are associated with the broader organisational 'day to day' framework of running our organisation. Risks associated

with the Council's governance will feature in both the Operational Risk Registers of those service areas who 'own' the governance related risk along with the Strategic Risk Register where appropriate.

Project Risks

Project risks are those risks that are integral to or arise during the lifecycle of a project. These may relate to; roles and responsibilities; timescales; resources; objectives; communication and monitoring for example. These risks will usually start and end with the project and need to be treated separately to those linked with the everyday operation of the Council.

With projects, it is vitally important that risks are identified and assessed early in the planning process. When undertaking a project, the Council will create a **Project Plan** in order to effectively manage the project, the plan might include; scope management; planning and delivery; budget; monitoring and control; administration; communication and risk management.

The project related risks are managed through a **Project Risk Register** which is developed specifically for the project at hand and maintained throughout the life of that project.

Partnership Risks

Reduced public service funding is leading to more services and community projects being delivered through different forms of partnership involving the public, private and third sector. Partnership working can take many forms including; integrated services; joint ventures; shared procurement; and co-ordination of activities. The use of risk management to mitigate threats whilst also exploring opportunities is key to ensuring that collaborative working arrangements contribute positively to service delivery. Partnership related risks might include; lack of relevant skill levels; differing legislative environments of the partners; differing governance arrangements and differing agendas.

Effective partnership working is not an easy process and often requires a significant investment of time and energy to build trust between the partners and to develop the working relationships required to ensure successful delivery of the project or service. Key considerations prior to entering into or reviewing a partnership need to include whether or not; the partnership helps secure the Council's objectives; it provides value for money; there are any alternatives; the governance arrangements are robust; and whether or not the Council have a legal duty or right to enter into the partnership at all.

The risks related to the partnership will be managed through a **Partnership Risk Register** which is developed specifically for the partnership at hand and maintained throughout the life of that partnership.

Risk Management Process

To ensure risk management is effective it must be part of an overall framework and be supported by processes and procedures - a systemic and consistent approach. Whether the 'risk' poses a threat or an opportunity - the stages remain the same. A '*Risk Assessment*' template/form shall be used when carrying out the stages below - the findings of which will be included on the appropriate '*Risk Register*'.

RISK IDENTIFICATION

Threats or opportunities which might prevent or help achieve, delay or accelerate the objectives of the Council



RISK ANALYSIS & ASSESSMENT

Following identification of the threats/opportunities, the risks need to be assessed



RISK CONTROL

Taking risk appetite into account, the risks now need to be controlled



RISK MONITORING

Most risks will change over time, timely, regular and appropriate monitoring must take place

Risk Identification

The identification of risks will be the result of a variety of sources and endeavours including but not limited to; lessons learned and analysis of previous events; technical briefings; national reports; workshops; team meetings; networking; management experience; and through a 'staple' element of the **Risk Management Group** - something we will cover in later sections of this strategy. Another key source of risk identification will of course be the business/service planning process where SWOT (strengths, weaknesses, opportunities, threats) and PESTEL (political, economic, social, technological, environmental, legal) analysis takes place.

Traditionally this stage of the risk management process has focussed on the things that can go wrong or the threats, if the organisation wishes to improve outcomes however, then it must search for the 'upside risks' or opportunities to make things better and maximise any potential benefits that may also be available. If an opportunity risk is identified, decisions can be made to pursue and increase the likelihood/impact of the opportunity - i.e. it can be managed in the way a negative risk can, to make the most of the potential offered.

N.B. It is important to note here that when attempting to capture the opportunity risk description that we do not attempt to replace or duplicate the 'purpose' or 'rationale' for a given activity. Opportunity risk is not the argument or reason for doing something - it is the awareness and control of the 'uncertainties that matter' in relation to the 'upside' risks involved with the activity or issue at hand.

Risk Analysis and Assessment

Once the risks have been identified and articulated they need to be assessed using the **Risk Matrix** in terms of the '**Likelihood**' of them occurring and the '**Impact**' of them if they do. This will provide an indication of the '**Inherent risk**' - the level of risk prior to any action being taken.

Likelihood is scored based upon probability of the risk occurring and impact based on the consequences of the risk occurring. Taking each threat/ opportunity in turn the risk should be assessed using the impact/ likelihood tables. The ratings may well be mixed as one overarching risk could have a number of threats/opportunities associated with it, for example the consequence may carry a moderate threat financially but may have a significant impact upon reputation.

Once the consequence is understood for all of the threats/opportunities associated with the risk, a 'best fit' impact rating shall be determined and the '**Inherent Risk Value**' identified. For example; if the impact of all of the threats/opportunities associated with the risk are significant with only one moderate, then the overall impact would be significant. It is important to note that the tables and descriptions are not and can never be exhaustive, they are designed to give a common perspective but not to be prescriptive.

Risk Matrix

IMPACT	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
LIKELIHOOD						

Impact Table

Score	Description	Examples/guidance
5	Catastrophic	Risks that can have a catastrophic impact on the operation of the Council or service, for example; <ul style="list-style-type: none"> • Death • Unable to function without Government or other agency intervention • Inability to fulfil obligations • Adverse national publicity - highly damaging, loss of public confidence
4	Severe	Risks which can have a severe impact on the operation of the Council or service, for example; <ul style="list-style-type: none"> • Extensive injury, major permanent harm • Significant impact on service objectives • Short to medium term impairment to service capability • Major adverse local publicity
3	Moderate	Risks which have a noticeable impact on the services provided. Will cause a degree of disruption to service provision / impinge on the budget, for example; <ul style="list-style-type: none"> • Medical treatment required, semi-permanent harm up to 1 year • Short term disruption to service capability • Significant financial loss • Some adverse publicity, needs careful public relations
2	Minor	Risks where the impact and any associated losses will be minor, for example; <ul style="list-style-type: none"> • First Aid treatment, non-permanent harm up to 1 month • Minor impact on service objectives • Financial loss that can be accommodated at service level • Some public embarrassment, no damage to reputation
1	Negligible	Risks where the impact and any associated losses will be small, for example; <ul style="list-style-type: none"> • No obvious harm or injury • Negligible impact on service capability • Minimal financial loss • Unlikely to cause any adverse publicity, internal only

Likelihood Table

Score	Description	Examples/guidance
5	Common	<ul style="list-style-type: none"> • Is expected to occur in most circumstances • Perhaps annually or more frequent
4	Likely	<ul style="list-style-type: none"> • Will probably occur in most circumstances • Not persistent, perhaps once in 3 years
3	Foreseeable	<ul style="list-style-type: none"> • Could occur in certain circumstances • Perhaps once in 10 years
2	Occasional	<ul style="list-style-type: none"> • May occur in exceptional circumstances • Not expected to happen, perhaps every 25 years
1	Freak event	<ul style="list-style-type: none"> • Is never likely to happen or no knowledge of this happening before • Very unlikely, perhaps once in 50 years

Risk Control

When deciding how to control the ‘downside’ risks or threats there are four options available, sometimes more than one option may be chosen, the Council could transfer and treat for example;

Negative Risk (threat) Control Measures			
Transfer E.G. Insurance, Outsource, Partnerships	Treat E.G. Mitigation, Likelihood & Consequence	Tolerate Understand and live with the risk	Terminate Avoid the risk, Do not pursue

Transfer the Risk - this might include transferring some of the consequence to an insurer e.g. legal liability, property, vehicles etc. Other examples might include services being delivered on the Councils behalf through outsourcing. When deciding to transfer, it must be acknowledged that this does not mean that the risk disappears, some risks may whilst others remain such as responsibility for the service being delivered and the reputational risk remaining with the Council for example.

Treat the Risk - the risk at this stage is unacceptable to the Council as it stands. Action needs to be taken and controls put in place to mitigate and reduce the risk to an acceptable level - the ‘**Residual risk**’. This might include putting procedures in place or modifying the activity to reduce the risk.

Tolerate - the Council intends to do nothing different to manage the risk identified aside from the usual management arrangements that are in place.

Terminate - the risk is so significant that even with control measures in place or modifications being made, the risk cannot be reduced to an acceptable level for the Council.

When attempting to control the ‘upside’ risks or opportunities, the four options above will be replaced by the three below;

Positive Risk (opportunity) Control Measures		
Share E.G. Joint Venture, Design and Build Contract	Enhance E.G. Action, Likelihood & Consequence	Accept Understand and accept the risk

Share - the benefits of the opportunity risk might be shared, a project being completed early for instance which would save money overall.

Enhance - using the project example again, action might be taken to improve the likelihood and consequence of the project completing early.

Accept - as with tolerating a threat, the Council intends to do nothing different to manage the risk identified aside from the usual management arrangements that are in place.

By this stage, using the '**Risk Assessment**' template/forms, the risks have been identified and analysed taking into account any current controls in place, giving an '**Inherent Risk Value**', beyond this other control measures may have been put in place resulting in a '**Residual Risk Value**'. The Council will now consider the residual risk and decide how this fits with the Councils '**Risk Appetite**' in terms of acceptability - this shall be detailed in a later section of the strategy.

Risk Monitoring

Now that the risks have been identified, analysed, controlled and scored according to the risk matrix, the final stage of the effective risk management process begins - risk monitoring. It is critical that risk assessments and action plans relating to them are monitored and reported on regularly to ensure progress is being made in both the management of the threats, or the taking advantage of the opportunities.

Risk registers are an important tool within the risk monitoring stage as long as they are kept up to date and accurate. Previously identified risks will change over time; some may become less of an issue once planned activity has taken place, therefore reducing the likelihood of the risk occurring. Others may have an increased level of risk due to external changes or important milestones approaching. When things change, or at a given frequency, the reassessment of the risk is necessary.

When reviewing, the following should be considered;

- Is the risk still valid?
- Has any of the circumstances or the situation changed?

- Has any planned mitigation/treatment/enhancement or action now taken place which has affected the '**Residual Risk Value**'?
- Has the planned mitigation/treatment/enhancement or action been deemed effective?
- Is there more that the Council should be doing?
- Has the threat/opportunity passed?

Along with those sources listed in the Risk Identification stage previously, the risk monitoring and review stage is also a good time to consider the following;

- Has anything new happened either externally or within the service, department, Council, project or partnership?
- As a result, are there any new threats or opportunities facing the service, department, Council, project or partnership?

Part of the monitoring process is of course '**Risk Reporting**'. This is required to ensure that managers, senior officers and elected Members are fully aware of the risks when making decisions and taking any action. Effective risk reporting should provide management and elected Members with assurance that all risks have been identified, assessed, controlled and are being effectively monitored - this shall be detailed further in a later section of the strategy.

Risk Appetite

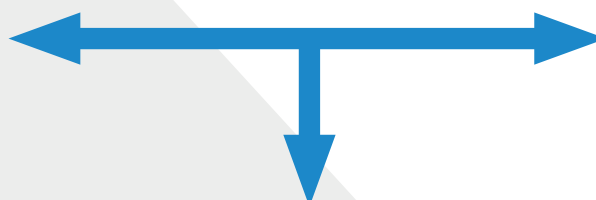
Risk appetite for local authorities on the whole will most likely be lower than that of many other organisations due in part to the regulatory nature of most of its services and because of its stewardship obligations for public resources. It is however, increasingly important for the Council to identify innovative solutions and new ways of working in the delivery of its services and operations.

New opportunities or changes to the way we do things will often bring new risks, both specific to the change at hand and to the Council as a whole. A key determinant in the risk management process is the Council's risk appetite and the scalability of this depending upon the individual circumstances.

The Council's risk appetite in relation to a given opportunity needs to be gauged individually to ensure that the tolerance level of the risks at hand are adjusted in accordance with the level or scale of the risk. A specific project may well have a different risk tolerance level to that of the wider operation of the Council or a health and safety matter for example. The Council should not be risk averse but risk aware and able to accept risk at a level that meets the Council's risk appetite.

Risk aware

Sensible management of threats and opportunities



Risk unaware

- Exposed to threats
- Too opportunity focussed

Risk averse

- Excessive management of threats
- Do not maximise opportunities

As mentioned previously, effective risk management is about managing uncertainties that affect us, this includes both the negative uncertainties or threats and the positive uncertainties or opportunities. Effective risk management aims to minimise the likelihood and impact of the threats whilst maximising the likelihood and impact of the opportunities.

Acknowledgement and awareness of the two aspects of risk – the 'upside' and 'downside'

increases the importance of an effective risk appetite framework which has the ability to be repositioned along the continuum on the previous page in line with the given subject matter at hand.

Generally speaking, the amount of risk that the Council are willing to take on, tolerate or be exposed to in the pursuit of its objectives can be illustrated below;

Risk Matrix

IMPACT	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
LIKELIHOOD						

Green = Low Priority - no immediate action other than to set a review date to re-consider assessment.

Amber = Medium Priority - check current controls and consider if others are required.

Red = High Priority - must take action to mitigate or terminate if not possible to do so.

Any threats that are an unacceptable level to the Council have to be mitigated as far as possible. Where a proposed activity has a residual risk value that is considered unacceptable and there is no means of reducing this value, then the activity will be rejected. Therefore the Council's risk appetite threshold is 15 or above, in other words if the residual risk is 15 or above the Council's risk appetite has been exceeded and the activity will be terminated.

There may be however, occasions where there is a statutory obligation to undertake a given activity despite the risk exposure. There may also be occasions where, in entrepreneurial terms, it will be appropriate to take measured but increased levels of risk in furtherance of the Council's business objectives.

In determining the Council's risk appetite, elected Members and senior officers will consider many things including, but not limited to the following;

- Wider macro-economic factors including legislation
- The level of risk that can be justified
- The Council's capacity to bear the risk
- The Council's resource, expertise and skill-set for taking the risk
- The extent and prevalence of operational and commercial opportunities capable of being exploited by the Council

Our Risk Management Arrangements

This strategy sets out to ensure that effective risk management is embedded throughout all levels of the Council. Whether it relates to 'day to day' service delivery or the decision making process of elected Members, the Council and its employees need to know what the risks are, understand them, identify ways to mitigate or exploit them and control them in line with the Council's risk management processes and appetite.

Risk Management Roles and Responsibilities

Elected Members

All elected Members are responsible for effective governance in the delivery of services to the local community and the achievement of the Council's objectives. Elected Members have a responsibility to understand the risks that the Council faces and will be made aware of how these risks are being managed through a variety of mechanisms including, but not limited to; the corporate, strategic and service planning and delivery process. It is the responsibility of all elected Members to support and promote an effective risk management culture and consider the risks associated with recommendations put forward in reports to the various committees at which decisions are made.

Cabinet

Cabinet has a fundamental role to play in the management of risk. Its role is to set the risk appetite and influence the culture of risk management within the organisation. Cabinet will ensure that risks are fully considered as part of every decision it makes whilst ensuring effective procedures are in place to monitor the management of significant risks. Cabinet will establish Portfolio Holder representation on the Risk Management Group and regularly review the content of the strategic risk register. Cabinet will periodically review the Council's approach to risk management and approve changes or improvements to processes and procedures.

Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has responsibility for overseeing all aspects of Risk Management, Governance and Internal Control. The Committee will provide guidance and oversight to the management of risk but also challenge the effectiveness of the risk management arrangements within the Council. The Committee will look to seek assurance for the Council that risk management is being effectively undertaken and that all risk related processes and procedures are being implemented. To this end, the Committee

will receive reports on behalf of the Council including but not limited to; Quarterly Risk Management Group reports, Internal Audit reports, External Audit reports and the Annual Governance Statement.

Scrutiny

In their role of scrutinising decisions taken by the Cabinet, Scrutiny Members should ensure that associated risks have been taken into account. Scrutiny Committees also have a role in bringing potential risks that have not previously been identified to the attention of the organisation.

Chief Executive

The Chief Executive leads on the wider Corporate Governance arrangements of the Council of which Risk Management is a part. The Chief Executive has ultimate responsibility for risk management within the paid service and will support the Senior Risk Officer (SRO) and Senior Information Risk Officer (SIRO) in carrying out their roles and responsibilities.

Senior Risk Officer (SRO)

The SRO plays an important role in raising the profile and promoting the benefits of risk management to elected Members and officers. The SRO also ensures that the accountability and responsibility of elected Members, officers and staff is understood by embedding risk management throughout every level of the Council and by overseeing the implementation of the Risk Management Strategy and Action Plan.

Senior Information Risk Owner (SIRO)

Information has never been more important to the essential working of the Council. As the quantity, diversity and nature of Council information changes, so will the risks. The role of the SIRO is to ensure that 'information' related risks are identified and addressed. The SIRO will establish an Information Risk Management Framework which allows information based threats and opportunities to be managed effectively.

Section 151 Officer

Section 151 of the Local Government Act 1972 requires all Councils to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For this Council this statutory role is carried out by the Head of Finance and Resources. The Section 151 Officer is a key member of the Senior Management Team who helps to develop and implement the strategy and appropriate resourcing to deliver the Council's objectives sustainably and in the public interest. The role brings influence and bearing on all material business decisions to ensure opportunities and threats are fully considered and aligned to the Council's financial strategy. The Section 151 Officer leads on the promotion of good financial management by the whole organisation so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

Risk Management Group

The Risk Management Group shall be elected Member led and will include the Councils SRO, SIRO, S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group will provide a comprehensive oversight of risk throughout the organisation and be the conduit to and from the whole organisation in terms of risk management. The group will 'regularly' and 'consistently' oversee, at least quarterly, all of the risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself. It will be responsible for risk management reporting to stakeholder groups across the Council and support the production of the Annual Governance Statement. The group will lead on the development and review of all risk related policies, plans and strategies across the Council and will oversee and champion the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture.

Directors and Heads of Service

Directors and Heads of Service are responsible for creating an environment and culture within their Directorate and portfolio of Services where risk management is promoted, facilitated and effectively undertaken. They will drive forward risk management to raise its profile and ensure that Service Managers and their teams understand the importance and benefits of effective risk management, embedding the Risk Management Strategy and arrangements throughout their span of control. They will include risk

management as a standing item on all Directorate, Service and team meeting agendas to keep risk management 'ever present' and ensuring effective, regular and consistent 'check and challenge' is in place throughout the Directorate. Directors and Heads of Service will review the content of the strategic risk register and their Directorate operational risk registers at least quarterly and represent their Directorate and portfolio of services at the Risk Management Group. They will identify existing and emerging risks, address them in line with the risk management arrangements and ensure sufficient resource is allocated to for this purpose within their span of control including identifying and meeting any risk management training needs within the Directorate.

Service Managers

As with the Directors and Heads of Service, Service Managers will support the creation of an environment where risk management is promoted, facilitated and effectively undertaken within their service area. Service Managers will also form part of the quarterly review process of their service related operational and when necessary, strategic risks. They will work with the Directors and Heads of Service to identify and address existing and emerging risks within their service area and ensure that training needs are identified and addressed in relation to risk management within their service area. Service Managers will be the consistent 'day to day' champions of an effective risk management culture throughout their service area and will ensure that the risk management strategy and arrangements are understood, embedded and implemented by their team.

Project and Partnership Leads

Project and Partnership Leads are responsible for ensuring that the project or partnership is being effectively managed in terms of risk and that the Risk Management Strategy and arrangements are implemented fully throughout the lifecycle of the project or partnership. As mentioned in previous sections of the document however, project risks and partnership risks do need to be treated slightly differently to the Council's other risks.

The Project Lead will;

Ensure that there is senior management team commitment to and involvement in the project/programme delivery. They will set out clearly defined roles and responsibilities at all levels within the project/programme with responsibility for risk identified and agreed. The Project Lead will ensure stakeholder engagement in the early identification of the risks which will inform the project/programme scope, objectives and outcomes. They will embed the active management of risk throughout the lifecycle of the project/programme through the development of a Project Plan.

The Partnership Lead will;

Ensure that the partnership has a senior management team made up of members from all organisations involved who will support, own and lead on risk management. The Partnership Lead will ensure that an agreed risk management framework is in place and managed on an ongoing basis. They will promote a partnership culture which supports an effective and appropriate approach to managing risks by reducing the threats and maximising the opportunities that the partnership will bring.

Both Leads will approach the project/programme/partnership in line with the Risk Management Strategy and arrangements set out within. They will ensure that the risk management process is followed, risk assessments completed, control measures are in place and risk registers are maintained throughout. The Leads will report to the Risk Management Group quarterly and assist in the production of the Risk Management Group reporting process.

Internal Audit

Internal Audit's role is to maintain independence and objectivity, they are not responsible for risk management or for managing risks on behalf of others. Internal Audit will check, challenge and test the risk management process and arrangements for adequacy in order to provide assurance to the Council that risk is being effectively managed.

All Staff

All staff have a responsibility for identifying threats and opportunities in performing their day to day duties. They also have a responsibility to participate in training, supporting the risk assessment process and action planning where appropriate.

Roles and responsibilities summary table:

Group or individual	Roles & Responsibilities
Elected Members	<ul style="list-style-type: none"> • Support and promote an effective risk management culture • Understand the strategic risks that the Council faces and how these risks are being managed • Consider the risks associated with recommendations put forward in reports
Cabinet	<ul style="list-style-type: none"> • Provide leadership on risk management within the Council • Monitor the Council's risk management arrangements • Assess the risks in Cabinet reports and provide challenge where necessary particularly in relation to key decisions
Audit and Corporate Governance Committee	<ul style="list-style-type: none"> • Overseeing all aspects of risk management, governance and internal control • Provide guidance and oversight to the management of risk and challenge the effectiveness of arrangements • To seek assurance for the Council that risk management is being properly undertaken
Scrutiny	<ul style="list-style-type: none"> • In their role of scrutinising decisions taken by Cabinet, Scrutiny Members will ensure that associated risks have been taken into account • Identifying potential risks that may not have been previously identified
Chief Executive	<ul style="list-style-type: none"> • Leads on the wider Corporate Governance arrangements of which Risk Management is a part • Overall responsibility for ensuring that strategic risks are effectively managed within the Council
Senior Risk Officer (SRO)	<ul style="list-style-type: none"> • Raising the profile of risk management • Promoting the benefits of risk management • Promoting the accountability and responsibility of all staff • Embedding risk management throughout all levels of the Council
Senior Information Risk Owner (SIRO)	<ul style="list-style-type: none"> • Manage information risk from a business perspective • Establish an effective information governance framework • Ensure compliance with regulatory, statutory and organisational information security policies and standards
Section 151 Officer	<ul style="list-style-type: none"> • To assist with the development and implementation of the strategy and resourcing required to deliver the Council's objectives sustainably and in the public interest • To ensure opportunities and risks are fully considered and aligned to the Council's financial strategy • Leads on the promotion of good financial management by the whole organisation
Risk Management Group	<ul style="list-style-type: none"> • To provide a comprehensive oversight of risk throughout the organisation and become an effective conduit to and from the whole organisation in terms of risk management • To 'regularly' and 'consistently' oversee, at least quarterly, all of the risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself • To be responsible for risk management reporting to stakeholder groups • To review and support the development of all risk related policies, plans and strategies • To oversee the implementation of the Risk Management Strategy
Directors and Heads of Service	<ul style="list-style-type: none"> • To review the content of the strategic risk register at least quarterly • To allocate sufficient resources to address strategic and operational risks • To identify emerging risks and address them through the risk management arrangements • To ensure that operational risks are being managed in line with the risk management arrangements and that the service area operational risk registers are up to date • Escalate when necessary
Service Managers	<ul style="list-style-type: none"> • To implement the risk management strategy and arrangements within their service area • To review the content of their operational risk register at least quarterly and provide assurance to stakeholders that risks are being effectively managed • To identify emerging operational risks and address them through the risk management arrangements • Escalate when necessary
Project / Partnership Leads	<ul style="list-style-type: none"> • To ensure that the risks associated with the project / partnership are identified and managed in line with the risk management arrangements • To review the content of their project/partnership risk register regularly depending upon the project/partnership this could be weekly • To identify emerging project/partnership risks and address them through the risk management arrangements • Escalate when necessary
Internal Audit	<ul style="list-style-type: none"> • Audit the risk management process • Assess the adequacy of the arrangements • Provide assurance to officers and elected Members on the effectiveness of the processes and arrangements • Be guided by the risk registers in terms of the annual audit plan - areas of greatest risk = greatest need for assurance
All Staff	<ul style="list-style-type: none"> • To adhere to the risk management strategy and arrangements • Report emerging or new threats and opportunities to their manager • Participate in training, risk assessments and action planning where appropriate

Risk Management Framework

Risk aware

Sensible management of threats and opportunities

Risk unaware

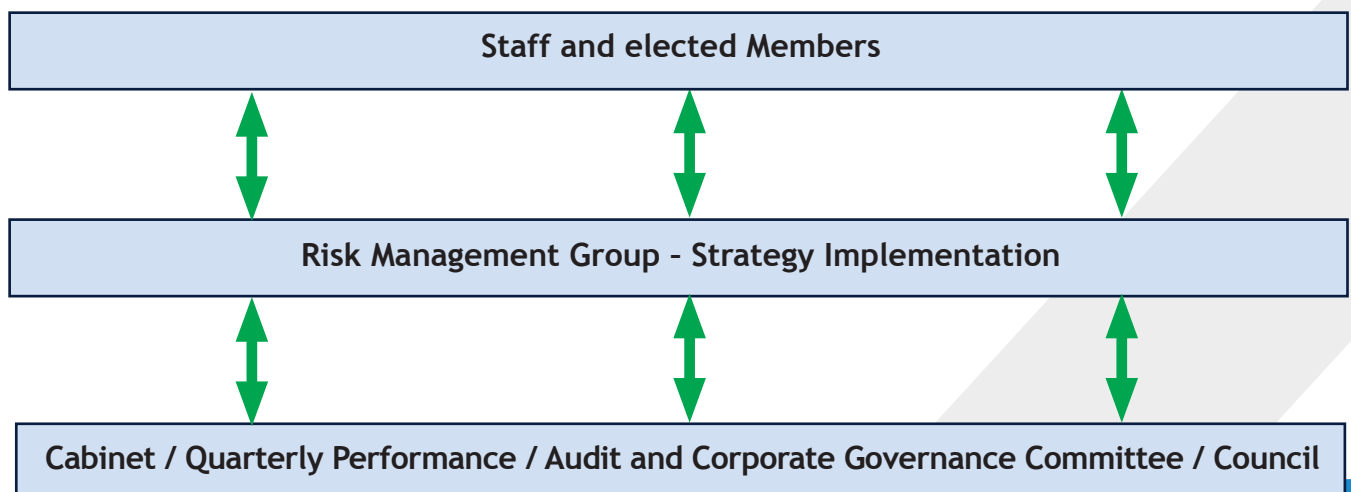
Risk averse

Risk Categorisation

Risk Management Process



Training & Development Roles & Responsibilities



Action Plan

Appendix 1

Ref:	Action	Responsibility	Target Date
RMS1	Establish Risk Management Group; representation; draft Terms of Reference; schedule of meetings	JSD - People	Mar 2020
RMS2	Create Risk Management Strategy performance management and administrative framework including new risk registers (operational, strategic, governance, partnerships and projects)	JSD - People and Risk Management Group	Mar 2020
RMS3	Create a Risk Management report template which is designed to capture the work of the Risk Management Group and current identified risks and control measures	JSD - People	Mar 2020
RMS4	Establish a roll-out, promotion and communication programme for the new Risk Management Strategy	JSD - People and Risk Management Group	Apr 2020
RMS5	Create a Risk Management Strategy organisational training package/ mechanism for elected Members and staff including roles and responsibilities	JSD - People and Risk Management Group	Apr 2020
RMS6	Schedule a comprehensive and fundamental review of all risk related policies, plans and strategies	JSD - People and Risk Management Group	Jun 2020
RMS7	Establish an Information Risk Management Framework	SIRO	Sept 2020
RMS8	Initiate an annual Risk Management Audit	Internal Audit Consortium Manager	Jun 2020

Risk Register Template

Appendix 2 - (strategic example)

Area of Risk	Inherent Risk Value (Low / Medium / High)	Threats / Opportunities	Mitigation / Controls in place / Action undertaken	Residual Risk Value (Low / Medium / High)	Potential Further Action / Action Planned	Risk Owner
1.0 Insufficient Safeguarding Arrangements	20 High	<ul style="list-style-type: none"> • Profile of safeguarding is poor • Staff and members do not know what safeguarding is and their role within it • Staff and members do not know how to spot the signs • Staff and members do not know how to report it and to who? • Lack of public confidence in Council policies plans and staff • Reputational damage • Potential significant harm to individuals resulting from abuse and neglect of Children and/or Adults at Risk possibly leading to personal harm, injury and death 	<ul style="list-style-type: none"> • The Council has in place up to date policies for safeguarding both Children and Adults at Risk. These policies are aligned to DCC policies which in turn are in line with legislation, regulation and statutory duties placed on Local Authorities • The Council has in place and maintains systems of working practice to safeguard children and vulnerable adults at Council activities and those who receive Council services • Staff recognised as appropriate to do, are DBS checked • All staff receive mandatory safeguarding training • Safeguarding is widely promoted and embedded throughout the organisation with all staff being issued with a wallet sized 'safeguarding quick reference guide' which details what to look out for and what to do • The Council has an internal safeguarding group which meets quarterly which has representation from all service areas of the Council • The Council host and Chair the Countywide Derbyshire Districts Safeguarding Leads Sub Group (DDSLSG) of the Derby and Derbyshire Safeguarding Childrens Partnership (DDSCP) and Derbyshire Safeguarding Adults Board (DSAB) 	10 Medium	<ul style="list-style-type: none"> • Establishing a meeting schedule between Councils Safeguarding Lead and DCC Senior Social Care Officers with a view to local collaboration in Bolsover and North East Derbyshire Districts Locality areas • DDSLSG collaborating with 'Homelessness Forum' to undertake case reviews following homeless adult deaths with a view to learn from the event and help prevent reoccurrence 	JSD - People



North East
Derbyshire
District Council

We speak your language

Polish

Mówimy Twoim językiem

French

Nous parlons votre langue

Spanish

Hablamos su idioma

Slovak

Rozprávame Vaším jazykom

Chinese

我们会说你的语言

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Risk Ref	Risk Assessment Date	Area Of Risk	Inherent Risk Value			Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Residual Risk Value			Potential Further Action / Action Planned	Risk Owner
			Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score		
STR1	Sep-19	Parliamentary uncertainty following the General Election, Government Legislation / impact of referendum vote to leave the EU / adverse external economic climate has an accelerating impact on Council funding, or upon the local economy, to which Council is unable to adopt an appropriate change of Strategic direction. The decision to leave the EU creates significant uncertainties whilst there is a significant programme of legislative change which impacts directly upon local government.	4	4	16	<ul style="list-style-type: none"> Unable to deliver a package of services that both addresses changing national priorities whilst meeting changing local needs and aspirations. Increases costs or reduces resources available to the Council directly, or to its key partners. Reduced influence over delivery of local services. Unable to effectively support local communities. Increased demands on Council services at a time when Council resource base is reducing. 	Mitigation. <ul style="list-style-type: none"> The Council is outward looking and actively works to secure details of proposed change and the approaches that might be adopted to mitigate against associated risks, including working to identify new income streams. The Council has effective political and managerial arrangements in place to manage change. Appropriate levels of financial reserves / investment funding are maintained to fund strategic shifts in service delivery. Effective engagement with staff to ensure they embrace necessary change. 	3	4	12		SAMT / Political Leadership
STR2	Sep-19	Failure to deliver a balanced budget in line with the MTFP, at a time when the Council's reserves are at an acceptable rather than a robust level, and localism has created significant uncertainties re future funding levels.	4	4	16	<ul style="list-style-type: none"> Impact upon ability to deliver current level of services. Unable to resource acceptable levels of service. Significant adverse reputational Impact. <p>The Covid 19 pandemic is putting a significant and unprecedented risk on budget setting</p>	Mitigation <ul style="list-style-type: none"> The Council has effective financial management in place to ensure budget arrangements are robust. The Council has appropriate managerial arrangements and culture in place to manage any necessary change. The Council has 'adequate' financial reserves in place to cushion against any loss of income for a period of at least one financial year. <p>The Council has been closely monitoring the impact of Covid 19 and adjusting the budgets accordingly. The financial impact of the pandemic is recorded as a key risk in budget setting for the MTFP refresh</p>	3	4	12		Political Leadership / S151 Officer / SAMT

STR3	Sep-19	The Council is affected by a operational service failure which has a major impact upon the local community, this impact being reflected in the Council's sustainability and reputation. Failure could arise from services – inc Data Protection – failing to adhere to best practice. Resulting in a potential impact upon the Council's ability to secure its corporate objectives. Given the efficiency measures that have been introduced to date this is considered to be an increasing issue for the Council.	3	5	15	<ul style="list-style-type: none"> • A significant service failure associated with a major impact on the local community. • Deterioration in services to the public, potentially a major impact upon a local resident or a group of local residents. • Significant staff and financial resources required to resolve position, impacting on other services. • A major service has its operating capacity significantly impact and is required to introduce major reform in its approach to service delivery. • Severe reputational damage 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. • The Council has a Performance Management Framework in place to help ensure that services are delivered in line with good practice and industry standards. On going monitoring and regular reporting will help ensure that any emerging issues re service performance are effectively identified and resolved at the earliest possible opportunity. 	2	5	10		SAMT
STR4	Sep-19	Emergency Planning and Business Continuity arrangements fail to meet required standards when tested by flu pandemic, natural disaster (flood), etc. Cyber crime with a loss of data / systems, results in the inability to provide core services and reputational damage.	5	5	25	<ul style="list-style-type: none"> • Inability of Council to provide services as a consequence of a severe catastrophic external event (e.g. flooding, major terrorist incident, flu pandemic, fire, cyber crime). • Failure of IT infrastructure, leading to inability to effectively operate services and to safeguard income streams. • Business Continuity Plans prove ineffective in practice. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council works in partnership with a range of partners on its Emergency Planning arrangements to ensure that we operate in line with best practice. There is an annual 'desktop' scenario to test officers understanding of the arrangements and validate that they are fit for purpose in a realistic 'trial' scenario. • All services have Business Continuity plans in place which identify key risks and mitigation. Corporate IT systems have been tested against Industry standards for Business Continuity. • The Council works in partnership with a range of other agencies that should be able to provide support in the event of the Council's own procedures failing to be effective. • The Council has in place industry standard measures to minimise the risk of cyber crime 	5	3	15		SAMT

STR5	Sep-19	Increasing difficulty in recruiting to key posts or in replacing key staff who leave. Staff morale is adversely affected arising from the pace of change, tightening financial circumstances or external circumstances.	3	4	12	<ul style="list-style-type: none"> • Deterioration in services to the public. • Increasing inefficiencies in service provision. • Weakening of Internal Control arrangements. • Increased pressure on other members of staff. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council has effective communication and working with staff as validated by securing 'silver' accreditation at IIP. • There is sufficient funding to bring in agency staff where required to maintain service performance. • At this stage the problematic areas are those where there are national 'shortages'. In the majority of areas it has proved possible to recruit appropriate replacement staff. • Appropriate training budgets are in place to ensure that staff receive necessary training to maintain service quality / continuity. • The Council is looking to introduce appropriate apprenticeship / training schemes in order to develop suitable staff. 	2	4	8		SAMT
STR6	Sep-19	Delivery of the Council's Agenda is dependent upon effective delivery of both a number of major initiatives / projects and implementing a range of new government reforms whilst achieving financial targets and maintaining service quality, which may overstretch our reduced organisational capacity.	3	4	12	<ul style="list-style-type: none"> • New initiatives are not delivered in a cost-effective manner. • Failure to maintain / improve services in line with local aspirations. • Failure to generate the savings required to balance the budget. • Financial savings measures weaken Governance / Internal Control arrangements. • Service deterioration / failure arising from capacity issues. 	<ul style="list-style-type: none"> • The Council has effective prioritisation and project management arrangements in place to ensure resources are directed at key objectives. • The Council has made efforts to ensure effective use of employees by utilising shared services to protect service resilience, by maintaining appropriate training arrangements and by investing in transformational service delivery projects. • The Council has a robust performance management framework that is intended to highlight emerging issues. 	2	4	8		SAMT
STR7	Sep-19	Need to effectively engage with local communities and a range of local partners (inc Shared / Joint services) to deliver cost effective joined up services.	3	4	12	<ul style="list-style-type: none"> • Failure to provide effective community leadership. • Loss of trust in the Council • Inability to deliver good quality cost effective services targeted at local needs. • Poor outcomes for local residents, due to failure to engage other agencies. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council has in place a range of mechanisms designed to secure feedback from local residents including the Performance Framework, a range of consultation events and the role of Elected Members as local champions. • The Council has an active Partnerships Team and senior Members / Officers actively engage with other organisations serving the area. • The Council's management structures are aligned to our key partnership arrangements. 	2	4	8		Political Leadership Team / SAMT

STR8	Sep-19	Governance Arrangements including Performance, Finance and Risk Management need to be maintained in order to continue to operate effectively in a rapidly changing environment.	3	4	12	<ul style="list-style-type: none"> • Adverse Impact upon Service Quality. • Failure to deliver high quality services which address national and local priorities. • Significant adverse reputational impact. 	Mitigation <ul style="list-style-type: none"> • The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. • The Council has active Standards and Audit Committees which provide independent review of the Governance arrangements in the Council. • The Annual Governance Report sets out an evidence based structured assessment of the operation of the Council's governance arrangements. 	2	4	8		S151 Officer / Monitoring Officer / SAMT
STR9	Sep-19	Staff morale / Sickness Levels adversely affected as a result of the pace of change, tightening financial circumstances or external circumstances.	3	4	12	<ul style="list-style-type: none"> • Deterioration in services to the public and loss of productivity. • Loss of key staff / increased sickness levels. • Increased pressure on other members of staff. • Loss of 'goodwill.' 	<ul style="list-style-type: none"> • The Council operates in line with the independent IIP standards and HR 'good practice' to help ensure current staff are well managed and motivated. • The staff has a range of communication mechanisms in place to ensure staff engagement with the Council's agenda. • The Council has reduced its emphasis of securing savings through vacancy management and seeks to bring in 'agency staff' etc as required. • While the Council cannot control external circumstances it has continued to work with staff to mitigate the impact of these on individual employees. 	3	3	9		SAMT

STR10	Sep-19	Failure to have in place robust, comprehensive and up to date policies and procedures for safeguarding children and vulnerable adults.	5	4	20	<ul style="list-style-type: none"> • Profile of safeguarding is poor • Staff and members do not know what safeguarding is and their role within it • Staff and members do not know how to spot the signs • Staff and members do not know how to report it and to who? • Lack of public confidence in Council policies plans and staff • Reputational damage • Potential significant harm to individuals resulting from abuse and neglect of Children and/or Vulnerable Adults possibly leading to personal harm, injury and death 	<ul style="list-style-type: none"> • The Council has in place up to date policies for safeguarding both Children and Vulnerable Adults. These policies are aligned to DCC policies which in turn are in line with legislation, regulation and statutory duties placed on Local Authorities. • The Council has in place and maintain systems of working practice to safeguard children and vulnerable adults at Council activities and those who receive Council services. • Staff recognised as appropriate to do, are DBS checked • All staff receive mandatory safeguarding training • Safeguarding is widely promoted and embedded throughout the organisation with all staff being issued with a wallet sized 'safeguarding quick reference guide' which details what to look out for and what to do • The Council has an internal safeguarding group which meets quarterly which has representation from all service areas of the Council. 	4	3	12		SAMT/Political Leadership
STR11	Sep-19	Failure of NEDDC's Local Plan to be found sound at independent examination.	4	4	16	<ul style="list-style-type: none"> • Potential Government intervention • Undermining the local plan • Reputational damage • Loss of control of planning and development 	<ul style="list-style-type: none"> • The Council has successfully avoided Government intervention in the plan-making process. • The Plan has now been through independent examination by the independent Inspector. • The Council has taken all reasonable steps in the preparation of the Plan to ensure that it is based on sound evidence and meets procedural and legal requirements. This has included taking external legal advice, securing an advisory visit with the Planning Inspectorate and engaging consultants to critically review the Publication Draft Plan. • The Plan is currently out for consultation on the main modifications as requested by the Inspector. The consultation is expected to be completed by the end of December 2020. 	2	4	8		SAMT / Political Leadership

STR12	Sep-19	Impact of HS2 and the electrification of the MML on environment, heritage, communities and businesses.	4	4	16	<ul style="list-style-type: none"> Without considerable environmental mitigation measures will have a negative impact on the visual amenity of the district, disruption to businesses, home owners and communities. It also has the potential to cause disruption on the roads and stall progress on areas of development due to uncertainty. 	<ul style="list-style-type: none"> Senior management actively engaged with HS2 staff to discuss proactive business mitigation measures. Political leadership working with relevant community groups and agencies lobbying for enhanced mitigation measures. Contributing to the East Midlands HS2 growth strategy and mitigation study Awaiting the outcome of the Government Review and the Integrated Rail Plan 	4	4	16		SAMT / Political Leadership
STR13	Nov-20	Failure to address the impact of COVID-19 upon the organisation, local economy and community	5	5	25	<ul style="list-style-type: none"> Inability to deliver services or service failure Loss of income to the Council Inability to provide safe working environment resulting in COVID contamination and infection Adverse impact on employee health Inability to change the Councils 'ways of working' to meet the current challenges Increased Cybersecurity and ICT related risk due to remote working increase Inability to deliver strategic plans and ambitions Inability to support local businesses and employers Inability to support the community and in particular vulnerable people 	<ul style="list-style-type: none"> The Council plays an active role in the Local Resilience Forum (LRF) and network of sub groups taking part in very frequent meetings and working to effectively and collectively tackle the impact of COVID within the County. This forum includes many agencies across the public sector spectrum including emergency services, NHS, Public Health and others (see strategic risk 6 also) The Council has in place effective business continuity and emergency action plans which enabled the effective and efficient deployment and diversification of resources to ensure service resumption, business and community support in the initial response phase of the COVID-19 pandemic The Council have in place robust recovery plans which include the following: <ul style="list-style-type: none"> Maintaining Financial Control - Development of financial resilience reserves and accessing govt. funding aimed at local authority support, service budget reviews, controlling expenditure. 	5	3	15		SAMT / Political Leadership

[illegible]

CORPORATE GOVERNANCE OPERATIONAL RISK REGISTER

Risk Ref	Risk Assessment Date	Area Of Risk	Inherent Risk Value			Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Residual Risk Value			Potential Further Action / Action Planned	Risk Owner
			Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score		
HS01	18.09.20	Unable to submit RIDDOR reports if a cyber-attack should affect the on-line HSE reporting route	2	3	6	Adverse HSE reaction regarding failure to report (criminal offence) or late reporting (can be fined)	HSE can be notified of some incidents via phone. NEDDC has a good track record of timely notification to the HSE	2	2	4		Head of Corporate Governance, Health & Safety Manager
HS02	18.09.20	Unable to competently deliver Health & Safety advice and guidance which ensures that the Council remains legislatively compliant	3	3	9	Employees are exposed to unsafe Health & Safety practices or environments	3 NEBOSH qualified Safety Advisers are available to offer advice / guidance. EH colleagues enforce H&S in the community and could offer advice / guidance in an emergency	3	2	6		Head of Corporate Governance, Health & Safety Manager
HS03	18.09.20	Significant enforcement action by the HSE	4	3	12	Serious breaches of legislation could result in prosecution, large fines, imprisonment	All Service Managers of higher risk activities undertook the IOSH Managing Safely course during 2020. The overall number of high risk activities at NEDDC is low. Implementation of HSG65 has resulted in annual service work programmes and regular productive communication with Service Managers	4	2	8		Head of Corporate Governance, Health & Safety Manager
HS04	18.09.20	Failing to refresh the Health & Safety Policy following expiry	3	4	12	An expired Policy represents a breach of legislation	The Health & Safety Policy is monitored by the Health & Safety Service, Health & Safety Sub Group and CJCG	4	1	4		Head of Corporate Governance, Health & Safety Manager
HS05	18.09.20	Failing to adequately maintain the EPR and / or failing to observe GDPR principles of data management	4	3	12	Disclosure of sensitive information to unauthorised personnel	The register is password protected. The data within is reviewed annually and formally by the Health & Safety Manager, Information Engagement & Performance Manager and each relevant Service Manager. The Health & Safety Service also regularly monitors the data to ensure accuracy for visiting officers	4	1	4		Head of Corporate Governance, Health & Safety Manager
HS06	18.09.20	Organisational failure in determining adequate DSE users' needs from a longer-term homeworking / agile working perspective	3	3	9	Adverse outcomes could include employees experiencing a range of musculoskeletal disorders - resulting in compensation claims	Upon request, standard ICT support equipment is provided to employees who are working at home during the Covid-19 pandemic. Some employees have taken work equipment home including work chairs. A 'New Ways of Working' joint services group has been established to consider the longer-term effects of employee working post Covid-19 pandemic	3	2	6		Head of Corporate Governance, Health & Safety Manager
HS07	18.09.20	Failing to enabling Service Managers to comply the requirements of HSE's HSG 65	4	4	16	This represents a breach of legislation	A new Health & Safety management system which meets HSG 65 requirements is being explored (with internal support) for managers / supervisors to access information and store documentation. Complying facilitates continual improvement with the plan-do-check-act cycle	4	2	8		Head of Corporate Governance, Health & Safety Manager
HS08	18.09.20	Failing to ensure timely processing of accident reports, identifying adverse trends and under-reporting of accidents, incidents and near misses	4	4	16	Processing accident reports is a legislative requirement. Adequate reporting of all events enables early adverse trends to be identified and rectified.	Regular reminders and newsletters are issued, the Health & Safety Sub-Group monitors occurrences on a quarterly basis, Safety Representatives discuss any concerns with the Health & Safety Service during regular informal meetings	4	2	8		Head of Corporate Governance, Health & Safety Manager

HS09	18.09.20	Failing to annually update our team risk assessment	3	3	9	An expired risk assessment represents a breach of legislation	Monitoring processes are in place to ensure that documents are refreshed in a timely manner. The Health & Safety Service must set a good example for all Service Managers by sharing updated documentation	3	1	3		Head of Corporate Governance, Health & Safety Manager
HS10	18.09.20	Failing to undertake audits, inspections and accident investigations	3	3	9	Good safety management systems are demonstrated by undertaking regular audits and inspections so that compliance can be monitored.	Accident investigations allow lessons to be learnt and situations to be avoided in future. These are undertaken by Service Managers routinely and the Health & Safety Team when serious accidents have occurred	3	2	6		Head of Corporate Governance, Health & Safety Manager
HS11	18.09.20	Undertaking baseline assessments to determine whether the service is complying with the Noise at Work Regulations 2005	3	3	9	Failure to comply with the Noise at Work Regulations is a breach of legislation	PPE is already provided to employees / operatives who are known to be exposed to noise levels. A cross Authority programme will commence shortly which concentrates upon personal sampling in order to gain a clearer picture of the noise levels which are generated during some activities	3	2	6		Head of Corporate Governance, Health & Safety Manager
HS12	18.09.20	Failing to arrange timely mandatory relevant Health & Safety training / refresher training	3	3	9	Employees / operatives either do not receive initial training or their expired qualifications are not refreshed - thereby affecting their competency to perform tasks to an approved standard	An annual training programme is being prepared. Additional budgetary provision has been provided to enhance the Health & Safety training programme. Budgetary spend is monitored by the service Accountant and the Health & Safety Manager. The Health & Safety Team monitor course attendance.	3	2	6		Head of Corporate Governance, Health & Safety Manager

[illegible][illegible]

Risk Ref	Risk Assessment Date	Area Of Risk	Inherent Risk Value			Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Residual Risk Value			Potential Further Action / Action Planned	Risk Owner
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STR1	Sep-19	Parliamentary uncertainty following the General Election, Government Legislation / impact of referendum vote to leave the EU / adverse external economic climate has an accelerating impact on Council funding, or upon the local economy, to which Council is unable to adopt an appropriate change of Strategic direction. The decision to leave the EU creates significant uncertainties whilst there is a significant programme of legislative change which impacts directly upon local government.	4	4	16	<ul style="list-style-type: none"> Unable to deliver a package of services that both addresses changing national priorities whilst meeting changing local needs and aspirations. Increases costs or reduces resources available to the Council directly, or to its key partners. Reduced influence over delivery of local services. Unable to effectively support local communities. Increased demands on Council services at a time when Council resource base is reducing. 	Mitigation. <ul style="list-style-type: none"> The Council is outward looking and actively works to secure details of proposed change and the approaches that might be adopted to mitigate against associated risks, including working to identify new income streams. The Council has effective political and managerial arrangements in place to manage change. Appropriate levels of financial reserves / investment funding are maintained to fund strategic shifts in service delivery. Effective engagement with staff to ensure they embrace necessary change. 	3	4	12		SAMT / Political Leadership
STR2	Sep-19	Failure to deliver a balanced budget in line with the MTFP, at a time when the Council's reserves are at an acceptable rather than a robust level, and localism has created significant uncertainties re future funding levels.	4	4	16	<ul style="list-style-type: none"> Impact upon ability to deliver current level of services. Unable to resource acceptable levels of service. Significant adverse reputational Impact. 	Mitigation <ul style="list-style-type: none"> The Council has effective financial management in place to ensure budget arrangements are robust. The Council has appropriate managerial arrangements and culture in place to manage any necessary change. The Council has 'adequate' financial reserves in place to cushion against any loss of income for a period of at least one financial year. 	3	4	12		SAMT / Chief Executive / Chief Financial Officer / Political Leadership
STR3	Sep-19	The Council is affected by a operational service failure which has a major impact upon the local community, this impact being reflected in the Council's sustainability and reputation. Failure could arise from services – inc Data Protection – failing to adhere to best practice. Resulting in a potential impact upon the Council's ability to secure its corporate objectives. Given the efficiency measures that have been introduced to date this is considered to be an increasing issue for the Council.	3	5	15	<ul style="list-style-type: none"> A significant service failure associated with a major impact on the local community. Deterioration in services to the public, potentially a major impact upon a local resident or a group of local residents. Significant staff and financial resources required to resolve position, impacting on other services. A major service has its operating capacity significantly impact and is required to introduce major reform in its approach to service delivery. Severe reputational damage 	Mitigation <ul style="list-style-type: none"> The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. The Council has a Performance Management Framework in place to help ensure that services are delivered in line with good practice and industry standards. On going monitoring and regular reporting will help ensure that any emerging issues re service performance are effectively identified and resolved at the earliest possible opportunity. 	2	5	10		SAMT / Heads of Service

STR4	Sep-19	Emergency Planning and Business Continuity arrangements fail to meet required standards when tested by flu pandemic, natural disaster (flood), etc. Cyber crime with a loss of data / systems, results in the inability to provide core services and reputational damage.	3	4	12	<ul style="list-style-type: none"> • Inability of Council to provide services as a consequence of a severe catastrophic external event (e.g. flooding, major terrorist incident, flu pandemic, fire, cyber crime). • Failure of IT infrastructure, leading to inability to effectively operate services and to safeguard income streams. • Business Continuity Plans prove ineffective in practice. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council works in partnership with a range of partners on its Emergency Planning arrangements to ensure that we operate in line with best practice. There is an annual 'desktop' scenario to test officers understanding of the arrangements and validate that they are fit for purpose in a realistic 'trial' scenario. • All services have Business Continuity plans in place which identify key risks and mitigation. Corporate IT systems have been tested against Industry standards for Business Continuity. • The Council works in partnership with a range of other agencies that should be able to provide support in the event of the Council's own procedures failing to be effective. • The Council has in place industry standard measures to minimise the risk of cyber crime 	2	4	8		SAMT / Chief Executive
STR5	Sep-19	Increasing difficulty in recruiting to key posts or in replacing key staff who leave. Staff morale is adversely affected arising from the pace of change, tightening financial circumstances or external circumstances.	3	4	12	<ul style="list-style-type: none"> • Deterioration in services to the public. • Increasing inefficiencies in service provision. • Weakening of Internal Control arrangements. • Increased pressure on other members of staff. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council has effective communication and working with staff as validated by securing 'silver' accreditation at IIP. • There is sufficient funding to bring in agency staff where required to maintain service performance. • At this stage the problematic areas are those where there are national 'shortages'. In the majority of areas it has proved possible to recruit appropriate replacement staff. • Appropriate training budgets are in place to ensure that staff receive necessary training to maintain service quality / continuity. • The Council is looking to introduce appropriate apprenticeship / training schemes in order to develop suitable staff. 	2	4	8		SAMT / Head of Legal & Governance
STR6	Sep-19	Delivery of the Council's Agenda is dependent upon effective delivery of both a number of major initiatives / projects and implementing a range of new government reforms whilst achieving financial targets and maintaining service quality, which may overstretch our reduced organisational capacity.	3	4	12	<ul style="list-style-type: none"> • New initiatives are not delivered in a cost-effective manner. • Failure to maintain / improve services in line with local aspirations. • Failure to generate the savings required to balance the budget. • Financial savings measures weaken Governance / Internal Control arrangements. • Service deterioration / failure arising from capacity issues. 	<p>Mitigation</p> <ul style="list-style-type: none"> • The Council has effective prioritisation and project management arrangements in place to ensure resources are directed at key objectives. • The Council has made efforts to ensure effective use of employees by utilising shared services to protect service resilience, by maintaining appropriate training arrangements and by investing in transformational service delivery projects. • The Council has a robust performance management framework that is intended to highlight emerging issues. 	2	4	8		SAMT / Chief Executive

STR7	Sep-19	Need to effectively engage with local communities and a range of local partners (inc Shared / Joint services) to deliver cost effective joined up services.	3	4	12	<ul style="list-style-type: none"> • Failure to provide effective community leadership. • Loss of trust in the Council • Inability to deliver good quality cost effective services targeted at local needs. • Poor outcomes for local residents, due to failure to engage other agencies. 	Mitigation <ul style="list-style-type: none"> • The Council has in place a range of mechanisms designed to secure feedback from local residents including the Performance Framework, a range of consultation events and the role of Elected Members as local champions. • The Council has an active Partnerships Team and senior Members / Officers actively engage with other organisations serving the area. • The Council's management structures are aligned to our key partnership arrangements. 	2	4	8		Political Leadership Team / Chief Executive
STR8	Sep-19	Governance Arrangements including Performance, Finance and Risk Management need to be maintained in order to continue to operate effectively in a rapidly changing environment.	3	4	12	<ul style="list-style-type: none"> • Adverse Impact upon Service Quality. • Failure to deliver high quality services which address national and local priorities. • Significant adverse reputational impact. 	Mitigation <ul style="list-style-type: none"> • The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. • The Council has active Standards and Audit Committees which provide independent review of the Governance arrangements in the Council. • The Annual Governance Report sets out an evidence based structured assessment of the operation of the Council's governance arrangements. 	2	4	8		Chief Financial Officer / Monitoring Officer
STR9	Sep-19	Staff morale / Sickness Levels adversely affected as a result of the pace of change, tightening financial circumstances or external circumstances.	3	4	12	<ul style="list-style-type: none"> • Deterioration in services to the public and loss of productivity. • Loss of key staff / increased sickness levels. • Increased pressure on other members of staff. • Loss of 'goodwill.' 	<ul style="list-style-type: none"> • The Council operates in line with the independent IIP standards and HR 'good practice' to help ensure current staff are well managed and motivated. • The staff has a range of communication mechanisms in place to ensure staff engagement with the Council's agenda. • The Council has reduced its emphasis of securing savings through vacancy management and seeks to bring in 'agency staff' etc as required. • While the Council cannot control external circumstances it has continued to work with staff to mitigate the impact of these on individual employees. 	3	3	9		SAMT / Head of Legal & Governance

STR10	Sep-19	Failure to have in place robust, comprehensive and up to date policies and procedures for safeguarding children and vulnerable adults.	4	4	16	<ul style="list-style-type: none"> • Profile of safeguarding is poor • Staff and members do not know what safeguarding is and their role within it • Staff and members do not know how to spot the signs • Staff and members do not know how to report it and to who? • Lack of public confidence in Council policies plans and staff • Reputational damage • Potential significant harm to individuals resulting from abuse and neglect of Children and/or Vulnerable Adults possibly leading to personal harm, injury and death 	<ul style="list-style-type: none"> • The Council has in place up to date policies for safeguarding both Children and Vulnerable Adults. These policies are aligned to DCC policies which in turn are in line with legislation, regulation and statutory duties placed on Local Authorities. • The Council has in place and maintain systems of working practice to safeguard children and vulnerable adults at Council activities and those who receive Council services. • Staff recognised as appropriate to do, are DBS checked • All staff receive mandatory safeguarding training • Safeguarding is widely promoted and embedded throughout the organisation with all staff being issued with a wallet sized 'safeguarding quick reference guide' which details what to look out for and what to do • The Council has an internal safeguarding group which meets quarterly which has representation from all service areas of the Council. 	2	4	8		SAMT/Political Leadership
STR11	Sep-19	Failure of NEDDC's Local Plan to be found sound at independent examination.	4	4	16	<ul style="list-style-type: none"> • Potential Government intervention • Undermining the local plan • Reputational damage • Loss of control of planning and development <p>Committee refusing applications on unallocated sites contrary to national policy leading to large cost claims against the council</p>	<ul style="list-style-type: none"> • The Council has successfully avoided Government intervention in the plan-making process. • The Plan will be at independent examination and in the hands of the independent Inspector, with timescales largely outside of the Council's control. The greatest risk to any Plan at this stage is that it could be found to be unsound on a point of law, or it fails to demonstrate that it has been positively prepared and is justified. This is expected to take place during the Autumn of 2018. • The Council has taken all reasonable steps in the preparation of the Plan to ensure that it is based on sound evidence and meets procedural and legal requirements. This has included taking external legal advice, securing an advisory visit with the Planning Inspectorate and engaging consultants to critically review the Publication Draft Plan. • The Plan is now working towards Main Modifications consultation. This should 	2	4	8		SAMT / Political Leadership

STR12	Sep-19	Impact of HS2 and the electrification of the MML on environment, heritage, communities and businesses.	4	4	16	<ul style="list-style-type: none"> Without considerable environmental mitigation measures will have a negative impact on the visual amenity of the district, disruption to businesses, home owners and communities. It also has the potential to sterilise areas of development due to uncertainty. 	<ul style="list-style-type: none"> CEX and senior management actively engaged with HS2 staff to discuss proactive business mitigation measures. Political leadership working with relevant community groups and agencies lobbying for enhanced mitigation measures. Contributing to the East Midlands HS2 growth strategy and also that we part of the mitigation study 	4	4	16		SAMT / Political Leadership

STREETSCENE SERVICES (NEDCC) OPERATIONAL RISK REGISTER

Risk Ref	Risk Assessment Date	Area Of Risk	Inherent Risk Value			Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Residual Risk Value			Potential Further Action / Action Planned / When By Date	Risk Owner
			Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score		
SS1	Sep-20	Council fails to achieve Revised European Waste Framework Directive (rEWfD) and/or emerging New UK Waste & Resource Strategy.	4	4	16	<ul style="list-style-type: none"> Failure to achieve recycling targets or deliver value for money waste collection services to meet changing service demands. Failure to meet targets impact on future audit inspections ratings Potential financial penalties Demand out strips service resource . Housing growth exceeds waste collection service resource capacity. Uncertainty of EU Regulations following Brexit Uncertainty of new/changed statutory duties emerging from new UK Waste and Resource Strategy. 	<ul style="list-style-type: none"> Targeted recycling and minimisation campaigns in low performing areas Sustain schools education and door knocking campaigns and promotion (face to face) in low performing areas. Increase effectiveness of Kerbside recycling & composting collections arrangements. Deliver the Joint Waste & Recycling Collection Policy and Dealing with Derbyshire's Waste (Action Plan) 	3	2	6	Review rural and domestic household waste collections to meet District housing growth and efficient use of employed resource by 31.3.22.	JHoS & SSWM
SS2	Sep-20	Lack of appropriately trained staff	4	3	12	<ul style="list-style-type: none"> Skills shortage Recruitment/ retention costs Low staff morale Poor performance/service failure Health and safety issues 	<ul style="list-style-type: none"> Ensure staff are trained/motivated by way of annual Appraisals Ensure effective communication throughout the services Workforce planning underway, management development 	3	2	6		JHoS & SSWM
SS3	Sep-20	Ineffective financial management and service failure	4	4	16	<ul style="list-style-type: none"> Failure to deliver and improve service delivery Poor forward planning Impact on base budget and failure to meet Pls 	<ul style="list-style-type: none"> Medium Term Financial Plan Service Plans and work plans drafted Regular budget monitoring and financial training to raise skills and understanding Proactive support from Finance and Audit and effective reporting/information Effective Service Planning and performance management systems 	3	4	12		JHoS & SSWM
SS4	Sep-20	Breakdown of industrial relations leading to service failure	4	4	16	<ul style="list-style-type: none"> Service failure, breakdown in relations, management time, stress/pressure on key staff High customer disruption and complaints, health & safety issues. Financial losses and costs of service recovery. 	<ul style="list-style-type: none"> Proactive consultation with Trade Unions and employees Management style/culture, information exchange, good industrial relations and communication Effective performance management Employee consultation on new and/or changes to working practices/equipment. 	3	2	6		JHoS & SSWM
SS5	Sep-20	Breakdown in partner relationship resulting exit from Riverside shared depot facility.	4	3	12	<ul style="list-style-type: none"> Disruption to service delivery Impact on application to Traffic Commissioner for operating centre. Negative publicity 	<ul style="list-style-type: none"> Prompt payment of contribution charge Close partnership dialogue Sustained partnership working via Joint Streetscene management arrangements. Partner staff compliance with BDC accommodation requirements. 	4	2	8		JHoS & SSWM
SS6	Sep-20	Breakdown of service delivery through poor fleet management	4	4	16	<ul style="list-style-type: none"> Traffic Commissioner intervention Revocation of O licence Breakdown 	<ul style="list-style-type: none"> Competent (CPC) persons named of Council Fleet Vehicle Operator License. Meet Mobile Transport Working Time Directive requirements (Tachographs) Effective overloading policy/procedure Annual driver CPC training Effective vehicle/management and maintenance system. Joint Fleet Management System to meet Joint site management visibility. Manage overloading, speeding, mobile phone use (Driver Management Policies). 	3	3	9		JHoS & SSWM

SS7	Sep-20	Unauthorised entry to Operational depot resulting in loss of vehicles, plant and vehicle fuel	3	4	12	<ul style="list-style-type: none"> • Loss of valuable uninsured resources • Disruption to service efficiency/delivery • Unplanned expense/cost to the Council 	<ul style="list-style-type: none"> • Onsite security awareness • Supervision of visitors • CCTV monitoring • Intruder alarms (out of hours) • Dye added to bunkered fuel supplies • Steel shutters/bars to vulnerable door and windows. • Ram-raid bollards/strengthened gates • Reaffirmed security instructions to staff 	3	2	6		JHoS & SSWM
SS8	Sep-20	Flooding of operational depot resulting in major disruption of front line services.	4	3	12	<ul style="list-style-type: none"> • Customer dissatisfaction • Negative publicity • Increased level of complaints • Temporary loss of service delivery. • Recovery costs 	<ul style="list-style-type: none"> • Ensure effective alarm/monitoring systems in place. • Raise fire/flooding awareness with staff, in particular during risk periods and arrange reactionary resource. • Retain stock of sandbags for guarding vulnerably water entry points to buildings. • Heighten awareness of flooding risk during abnormally high rain fall periods 	3	2	6	Consider building protection products (door bunds) in future capital budget expansion bids.	JHoS & SSWM
SS9	Sep-20	Fuel strike\shortage	3	3	9	<ul style="list-style-type: none"> • Disruption to service delivery • Unauthorised intrusion at depot facilities, vehicle theft and/or fuel • Negative publicity • Service recovery costs in prolonged periods of service prioritisation (i.e. uncut grass) 	<ul style="list-style-type: none"> • Maintain bunkered fuel supplies • Procure fuel cards (private forecourt) for backup retail supply. • Prioritise service delivery to reduce fuel usage (Business Continuity Planning). • Maintain watching brief during heightened periods of risk. • Support and working with partners. • Increased depot/vehicle security arising from heightened risk of fuel theft. • Review fuel re-order level frequency. 	2	2	4		JHoS & SSWM
SS10	Sep-20	Increased kerbside recycling collection costs	3	4	12	<ul style="list-style-type: none"> • Reduced tenderer income streams reflect in high collection costs and/or reduce service delivery quality/performance. • Effective management of new contract arrangements. 	<ul style="list-style-type: none"> • Maintain market condition awareness and material commodity values. • Timely procurement of service in consideration of market conditions. • Sustain joint procurement of service to maintain service volumes. • Identify other partnering opportunities to widen scope of service type\volume. 	3	3	9		JHoS & SSWM
SS11	Sep-20	Viral Pandemic	4	4	16	<ul style="list-style-type: none"> • Temporary loss of service delivery\cessation. • Customer dissatisfaction • Negative publicity • Increased complaints • Disease spread • Recovery costs\lost income • Employee relations impact 	<ul style="list-style-type: none"> • Service delivery prioritised to meet statutory duty/public health requirements • Clear instructions to staff in following control measures. • Modified working arrangements and staff deployed in 'essential' service delivery. • Social distancing\cleanliness measures to be strictly followed. • Government/NHS guidance followed where practical and reasonable. 	4	2	8		JHoS & SSWM

SS12	Sep-20	Inclement weather delaying service delivery.	3	4	12	<ul style="list-style-type: none"> • Customer dissatisfaction • Negative publicity • Increased level of complaints • Temporary loss of service delivery. • Recovery costs • Failure to meet Health & Safety; and, Duty of Care (Occupiers Liability) requirements. 	<ul style="list-style-type: none"> • Ensure effective monitoring of weather forecasts in place. • Raise awareness of 'high risk forecasts' with relevant staff to prepare/arrange reactionary resource. • Retain stock of sandbags for support public realm in Emergency events. • Heighten awareness arising from forecasts of heavy prolonged/abnormally high levels of snow/rain fall. • Effectively communicate requirements of 'Snow & Ice Treatment Policy' and Streetscene Service Inclement Weather Recovery Procedures during high risk weather events. • Ensure equipment (i.e. snow shovels\ploughs\gritters) meet Council's Health & Safety/Duty of Care requirements. 	3	2	6		JHoS & SSWM
	Sep-20											JHoS & SSWM
	Sep-20											JHoS & SSWM
	Sep-20											JHoS & SSWM

Impact

- 5 • Catastrophic** • Risks that can have a catastrophic impact on the operation of the Council
 - Death
 - Unable to function without Government or other agency intervention
 - Inability to fulfil obligations
 - Adverse national publicity – highly damaging, loss of public confidence
- 4 • Severe** • Risks which can have a severe impact on the operation of the Council or service
 - Extensive injury, major permanent harm
 - Significant impact on service objectives
 - Short to medium term impairment to service capability
 - Major adverse local publicity
- 3 • Moderate** • Risks which have a noticeable impact and degree of disruption on the service
 - Medical treatment required, semi-permanent harm up to 1 year
 - Short term disruption to service capability
 - Significant financial loss
 - Some adverse publicity, needs careful public relations
- 2 • Minor** • Risks where the impact and any associated losses will be minor, for example;
 - First Aid treatment, non-permanent harm up to 1 month
 - Minor impact on service objectives
 - Financial loss that can be accommodated at service level
 - Some public embarrassment, no damage to reputation
- 1 • Negligible** • Risks where the impact and any associated losses will be small, for example;
 - No obvious harm or injury
 - Negligible impact on service capability
 - Minimal financial loss
 - Unlikely to cause any adverse publicity, internal only

Likelihood

- 5 • Common** • Is expected to occur in most circumstances
 - Perhaps annually or more frequent
- 4 • Likely** • Will probably occur in most circumstances
 - Not persistent, perhaps once in 3 years
- 3 • Foreseeable** • Could occur in certain circumstances
 - Perhaps once in 10 years
- 2 • Occasional** • May occur in exceptional circumstances
 - Not expected to happen, perhaps every 25 years
- 1 • Freak event** • Is never likely to happen or no knowledge of this happening before
 - Very unlikely, perhaps once in 50 yearity, internal only

oil or service, for example;

ice, for example;

ces provision / impinge on the budget, for example;

le;

Risk Matrix						
IMPACT	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
	LIKELIHOOD					

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2 December 2020

<u>Corporate Debt – as at 31 October 2020</u>
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Report of the Head of Finance and Resources

This report is public

Purpose of the Report

- The purpose of this report is to present to Members of the Audit and Corporate Governance Scrutiny Committee a summary of the corporate debt position at 31 October 2020.

1 Report Details

- 1.1 To update Members of the Audit and Corporate Governance Scrutiny Committee on the position regarding corporate debt.
- 1.2 Appendix 1 of this report details the debt position with regard to sundry debtors, overpaid housing benefit and rents.
- 1.3 During the early months of the pandemic, in line with Government guidance, the Council has not taken any recovery action. The Council has now commenced a process of “soft” recovery through re-engaging with our customers and opening up a dialogue about payment, offering support where needed. This has produced some very positive results with many customers engaging and making arrangements to pay. Recovery will continue on this basis through the second national lockdown then further consideration will be given to next steps.

2 Conclusions and Reasons for Recommendation

- 2.1 To ensure that the Audit and Corporate Governance Scrutiny Committee are informed of the latest position concerning the Council's debt.

3 Consultation and Equality Impact

- 3.1 There are no consultation and equality impact implications from this report.

4 Alternative Options and Reasons for Rejection

- 4.1 This report is for information only.

5 Implications

5.1 Finance and Risk Implications

Appendix 1 details the current position regarding corporate debt. The impact of the pandemic on our customers' needs to be taken into account this year and is likely to impact on the Council's ability to collect this debt. This may have a detrimental impact on the Council's financial position and is being closely monitored.

5.2 **Legal Implications including Data Protection**

These are none arising directly from this report.

5.3 **Human Resources Implications**

These are none arising directly from this report.

6 **Recommendations**

- 6.1 That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's Corporate Debt as at 31 October 2020.

7 **Decision Information**

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 Capital - £150,000 <input type="checkbox"/> <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has relevant Portfolio Member been informed?	Yes
District Wards Affected	None directly.
Links to Corporate Plan priorities or Policy Framework	All

8 **Document Information**

Appendix No	Title
1	Corporate Debt
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	01246 217078

APPENDIX 1: TABLE 1

Aged Debt Reporting – Sundry Debtors

Debt Outstanding as at	Current Debt	90 – 365 Days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	5+ years	Total	Write Offs
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Average Debt 2015/16	972	201	76	27	23	33	25	1357	14
Average Debt 2016/17	1551	104	68	49	16	21	32	1839	58
Average Debt 2017/18	781	71	43	21	19	9	26	970	11
Average Debt 2018/19	852	64	112	19	9	10	24	1090	41
30 June 2019	806	42	11	28	10	10	21	928	
30 Sept 2019	1122	54	20	26	11	5	24	1262	
31 Dec 2019	443	33	24	22	15	6	25	567	
31 March 2020	50	28	32	13	26	5	25	728	
Average Debt 2019/20	605	39	22	22	16	7	24	871	3
31 August 2020	846	164	26	17	26	11	26	1,116	
31 October 2020	2,341	172	27	19	24	12	26	2,621	
Average Debt 2020/21	1,594	168	26	18	25	11	26	1,868	0

APPENDIX 1: TABLE 2

Aged Debt Reporting – Overpaid Housing Benefits

Debt Outstanding as at	Current Debt	90 to 365 days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	Over 5 years	Total	Write offs
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Average Debt 2015/16	182	336	263	172	160	133	209	1,445	76
Average Debt 2016/17	173	332	346	203	123	128	241	1,546	144
Average Debt 2017/18	141	318	322	256	157	105	283	1,582	89
Average Debt 2018/19	104	263	291	253	201	138	340	1,589	38
30 June 2019	80	185	278	245	225	154	395	1,562	
30 September 2019	52	147	278	244	221	158	412	1,512	
31 December 2019	80	107	263	258	198	182	434	1,522	
31 March 2020	87	110	217	240	204	197	457	1,510	
Average Debt 2019/20	75	137	259	247	212	173	425	1,527	68
31 August 2020	39	135	146	239	209	205	531	1,504	
31 October 2020	67	116	138	224	223	194	555	1,517	
Average Debt 2020/21	53	125	142	231	216	200	543	1,510	0

HRA total Indebtedness

Debt Outstanding as at	Total	Write Offs in Year
	£000	£000
Average Debt 2015/16	2,203	266
Average Debt 2016/17	2,023	178
Average Debt 2017/18	2,028	203
Average Debt 2018/19	1,807	162
30 June 2019	1,810	
30 September 2019	2,047	
31 December 2019	1,712	
31 March 2020	1,462	
Average Debt 2019/20	1,928	208
31 August 2020	1,897	
31 October 2020	2,083	
Average Debt 2020/21	1,990	(5)

SUMMARY OF PROVISION FOR DOUBTFUL DEBTS 2020/21

	General Fund Sundry Debtors	Over Paid Housing Benefit	HRA Rents	Total
	£000's	£000's	£000's	£000's
Balance B/Fwd	(133)	(1,311)	(863)	(2,307)
Write offs in current financial year	0	0	(5)	(5)
Actual increase in provision	0	0	0	0
Provision C/Fwd	(133)	(1,311)	(868)	(2,312)
Current Debt position	2,621	1,517	2,083	6,221
Percentage Coverage	5%	86%	41%	37%

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2 December 2020

Financial Impact of Covid 19 for Local Authorities

Report of the Head of Finance and Resources

This report is public

Purpose of the Report

- The purpose of this report is to present Members of the Audit and Corporate Governance Scrutiny Committee with benchmarking information of the impact of Covid 19 on local authority finances.

1 Report Details

- 1.1 The Covid 19 pandemic is having an unprecedented impact on local authority finances. So far the Government has funded all additional expenditure through grants to councils. Lost income from sales fees and charges is also being partially compensated by the Government's income compensations scheme but this still leaves a funding gap for many to fill. Losses from commercial income, which isn't part of the compensation scheme, is cause for considerable concern for some councils.
- 1.2 A major concern for billing authorities like ourselves is non collection of business rates and council tax income. Whilst unlike fees and charges this will remain collectible into future years, the levels of non-collection are going to create collection fund deficits across the country for many years. The Government are considering the option of compensation for these losses which is likely to form part of the Spending Review. This will be in addition to their proposal to spread collection fund deficits over three years.
- 1.3 Local authorities have since March been producing detailed returns for the Ministry of Housing and Local Government on the financial impact of Covid. **Appendix 1** presents a series of data tables and charts analysing the national position and comparing our position, summarised below.
- 1.4 **Table 1** shows that additional expenditure of £3.6bn has been incurred by local authorities in the period March – September. Trends for overall expenditure are similar within each council type, for example district councils experienced a peak early in the first national lockdown which has now levelled out, which was our own experience as we adjusted to agile working and delivered the homelessness and community responses. It is expected that there may some increase in expenditure trends again as a result of the second national lockdown and the expected local tier system that will follow.

- 1.5 **Table 2** then shows a breakdown of expenditure type. In districts this is quite diverse, likely to be as a result of the wide range of measures taken during the first national lockdown. In councils with responsibility for social care, this is the main driver for increased costs.
- 1.6 **Table 3** shows income losses of £4.6bn nationally in the period March – September. Councils with responsibility for collecting council tax and business rates and those with leisure facilities have been the worst affected. This is borne out in **Table 4** which breaks down income losses by type. Our position mirrors this with losses from sales, fees and charges, council tax and business rates being the main contributors.
- 1.7 **Graph 1** plots the national position regards council tax and business rates losses. Council tax losses have levelled off in the latter months following implementation of the hardship relief scheme and as councils begin recovery action again, our position mirrors this. Business rates however, remains high following the initial spike and has not yet shown signs of recovery. Demography and the types of business located in a council area is impacting significantly on business rates losses. Council's with large numbers of retail units who have benefitted from reliefs are not likely to be as severely affected as those with large manufacturing/industrial units who did not, ourselves included.
- 1.8 **Graphs 2 and 3** show the national position for district councils and how we compare.
- 1.9 **Tables 5 and 6** show the impact on Housing Revenue Accounts (HRA) across the country. The income streams for HRA's have been relatively unaffected by the pandemic and although some councils are experiencing losses from rents, in the main this is much less than that being experienced for business rates and council tax. The financial impact on expenditure is low, at 1.4% of the impact on Council's general funds.

2 Conclusions and Reasons for Recommendation

- 2.1 To provide the Audit and Corporate Governance Scrutiny Committee with information in relation to the financial impact of Covid 19 on local authorities.

3 Consultation and Equality Impact

- 3.1 There are no consultation and equality impact implications from this report.

4 Alternative Options and Reasons for Rejection

- 4.1 This report is for information only.

5 Implications

5.1 Finance and Risk Implications

The Covid 19 pandemic is having an unprecedented detrimental impact on the finances of local authorities across the country. The Government has offered significant levels of financial support during 2020/21 allowing most local authorities to continue with a balanced budget. The financial impact of the pandemic will be a major contributor in

budget setting for all councils for a number of years to come and presents a significant challenge for setting future year budgets.

5.2 **Legal Implications including Data Protection**

These are none arising directly from this report.

5.3 **Human Resources Implications**

These are none arising directly from this report.

6 **Recommendations**

6.1 That the Audit and Corporate Governance Scrutiny Committee note the report.

7 **Decision Information**

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has relevant Portfolio Member been informed?	Yes
District Wards Affected	None directly.
Links to Corporate Plan priorities or Policy Framework	All

8 **Document Information**

Appendix No	Title
1	Financial Data Tables
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	01246 217078

APPENDIX 1

Table 1

Additional expenditure due to COVID-19 by type of authority (£ millions)								
	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	March to September 2020
Shire District	12.092	36.204	29.650	30.181	27.619	24.570	24.453	184.769
Shire County	15.776	162.063	145.476	174.566	192.719	184.208	176.965	1,051.773
Unitary Authority	18.770	156.391	151.391	186.214	150.506	133.586	109.143	906.001
Metropolitan District	17.497	135.004	153.412	188.326	129.218	121.068	89.935	834.460
London Borough	14.801	112.447	103.144	96.979	94.200	88.308	77.953	587.832
Total	78.935	602.109	583.073	676.266	594.262	551.740	478.449	3,564.835
North East Derbyshire District Council	0.021	0.048	0.094	0.057	0.048	0.052	0.057	0.377

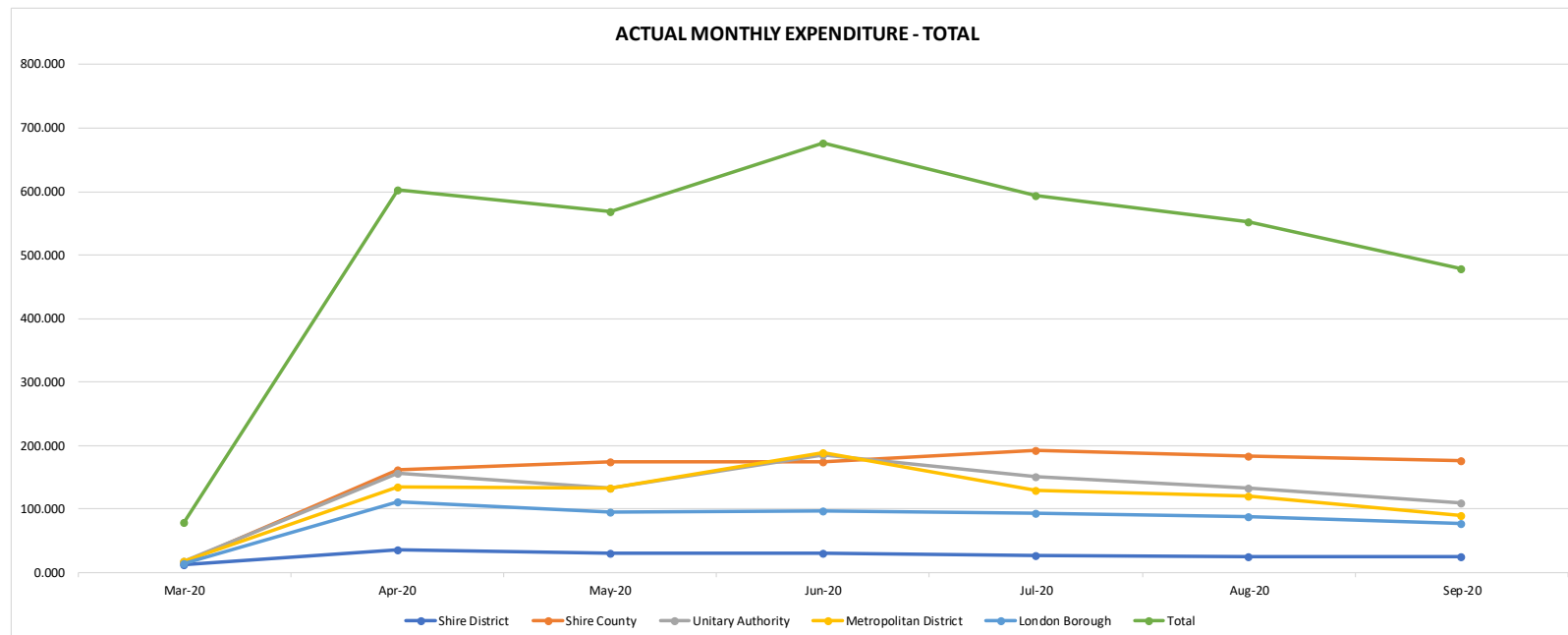


Table 2

Additional expenditure due to COVID-19 by service area (£ millions)							
March to September 2020							
	Shire District	Shire County	Unitary Authority	Metropolitan District	London Borough	Total	NEDDC
Adult Social Care	0.699	677.592	474.055	399.900	212.437	1,764.684	0
Children's social care	0.000	47.847	63.666	50.592	28.117	190.221	0.000
Housing - total (including homelessness services)	41.045	3.718	45.991	31.917	55.519	178.190	0.069
Environmental and regulatory services	20.556	54.857	48.753	46.691	62.864	233.721	0.042
Finance/corporate services	33.067	31.450	40.025	49.578	34.030	188.149	0.197
All other service areas	89.402	236.310	233.510	255.782	194.865	1,009.869	0.069
Total	184.769	1,051.773	906.001	834.460	587.832	3,564.835	0.377

Table 3

Income losses due to COVID-19 by type of authority (£ millions)								
	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	March to September 2020
Shire District	44.925	243.702	258.825	213.896	173.503	147.667	144.245	1,226.763
Shire County	7.749	50.550	47.116	44.172	30.256	19.352	22.322	221.517
Unitary Authority	54.013	223.202	209.272	179.202	159.048	135.956	126.139	1,086.832
Metropolitan District	29.838	166.502	175.886	152.497	170.024	101.196	85.848	881.791
London Borough	37.092	216.978	274.707	197.759	169.266	156.371	134.269	1,186.442
Total	173.617	900.934	965.806	787.526	702.097	560.542	512.823	4,603.345
North East Derbyshire District Council	0.385	1.471	1.187	1.188	0.903	0.671	0.664	6.469

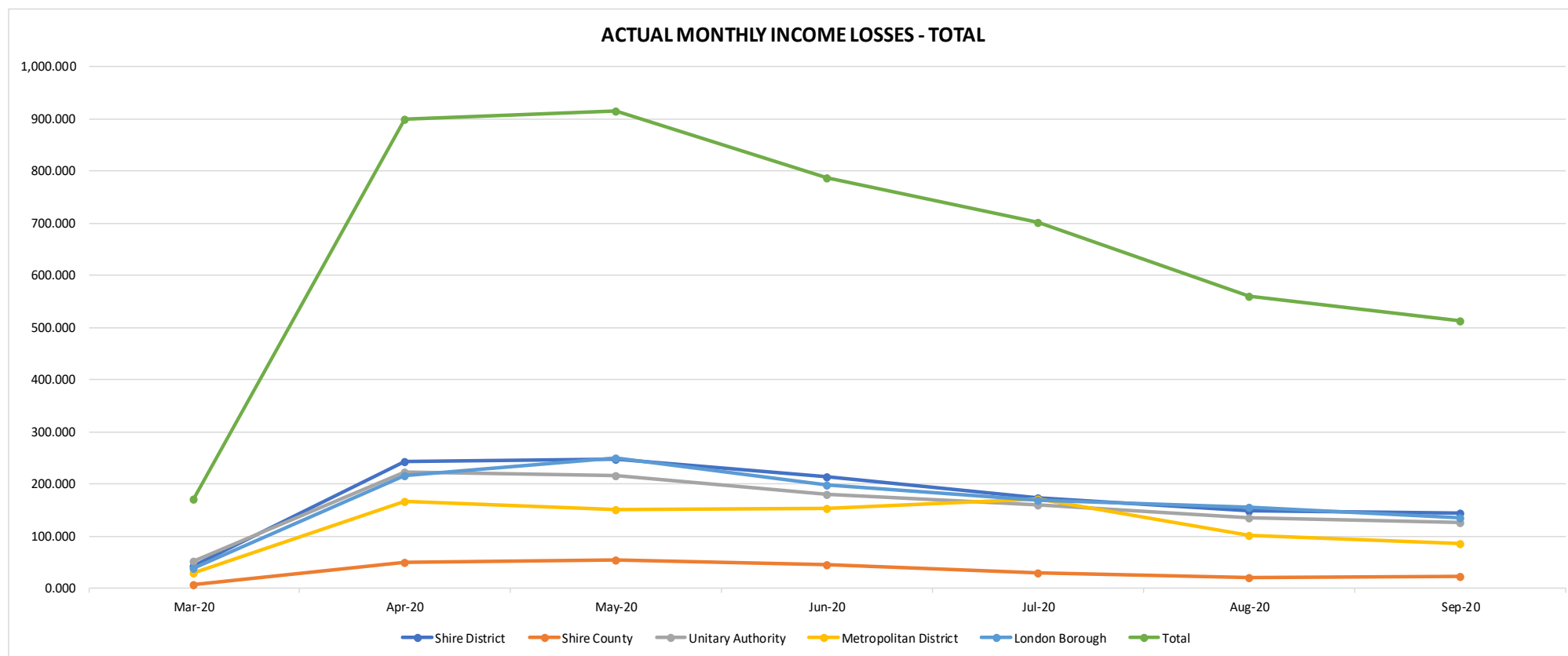


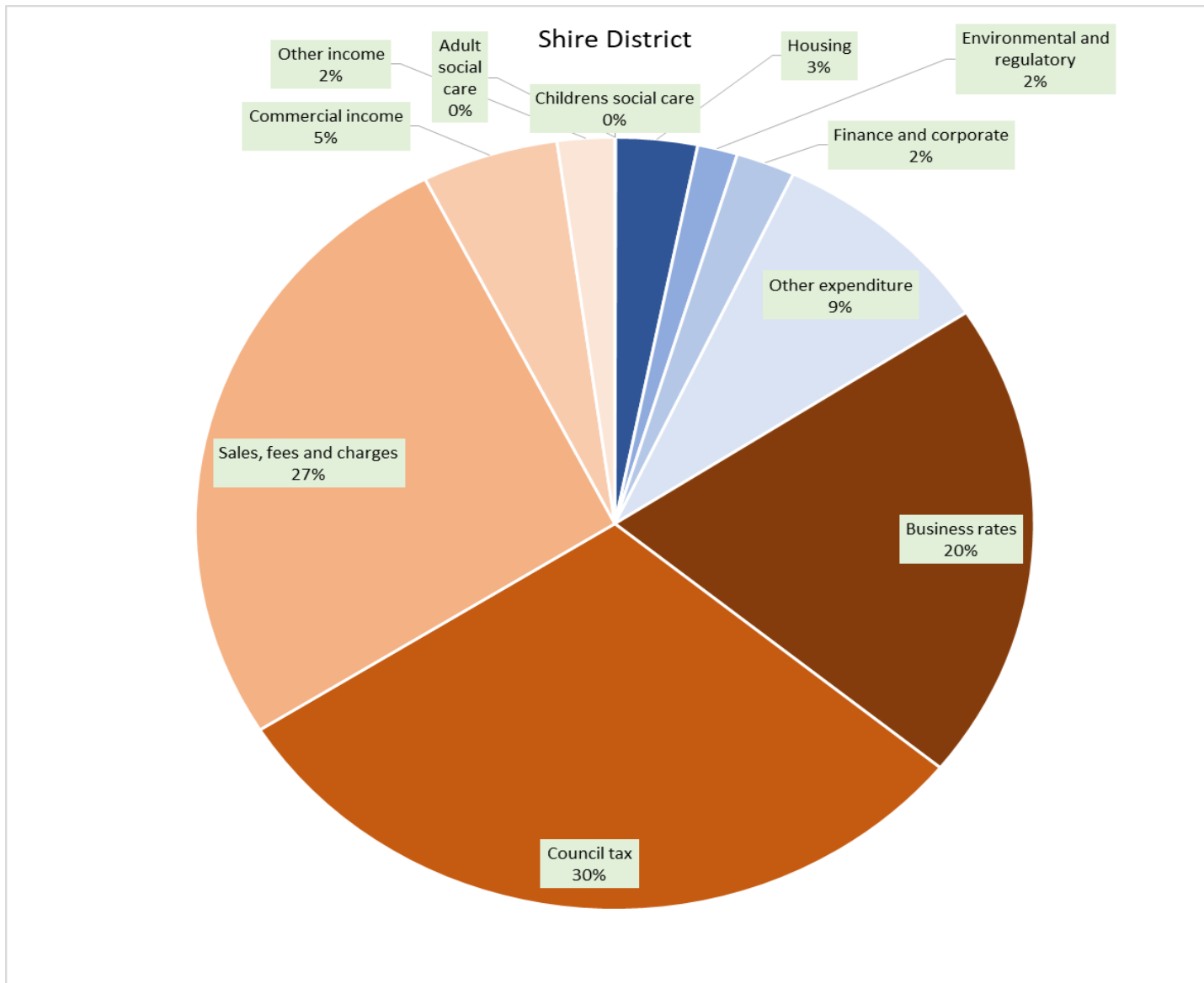
Table 4

Income losses due to COVID-19 by source of income (£ millions)							
	March to September 2020						
	Shire District	Shire County	Unitary Authority	Metropolitan District	London Borough	Total	NEDDC
Business rates	338.251	0.000	235.966	180.502	535.754	1,290.473	2.514
Council tax	416.782	0.000	266.398	198.501	247.137	1,128.818	2.15
Sales fees and charges	360.068	151.687	449.344	299.741	335.001	1,595.841	1.757
Commercial income	81.043	30.447	102.095	154.635	42.573	410.793	0.048
Other	30.619	39.384	33.029	48.412	25.977	177.421	0
Total	1,226.763	221.517	1,086.832	881.791	1,186.442	4,603.345	6.469

Graph 1 National Position re Council Tax and Business Rates Losses



Graph 2: Financial Impact – National Average for Shire Districts



Graph 3: Financial Impact – North East Derbyshire

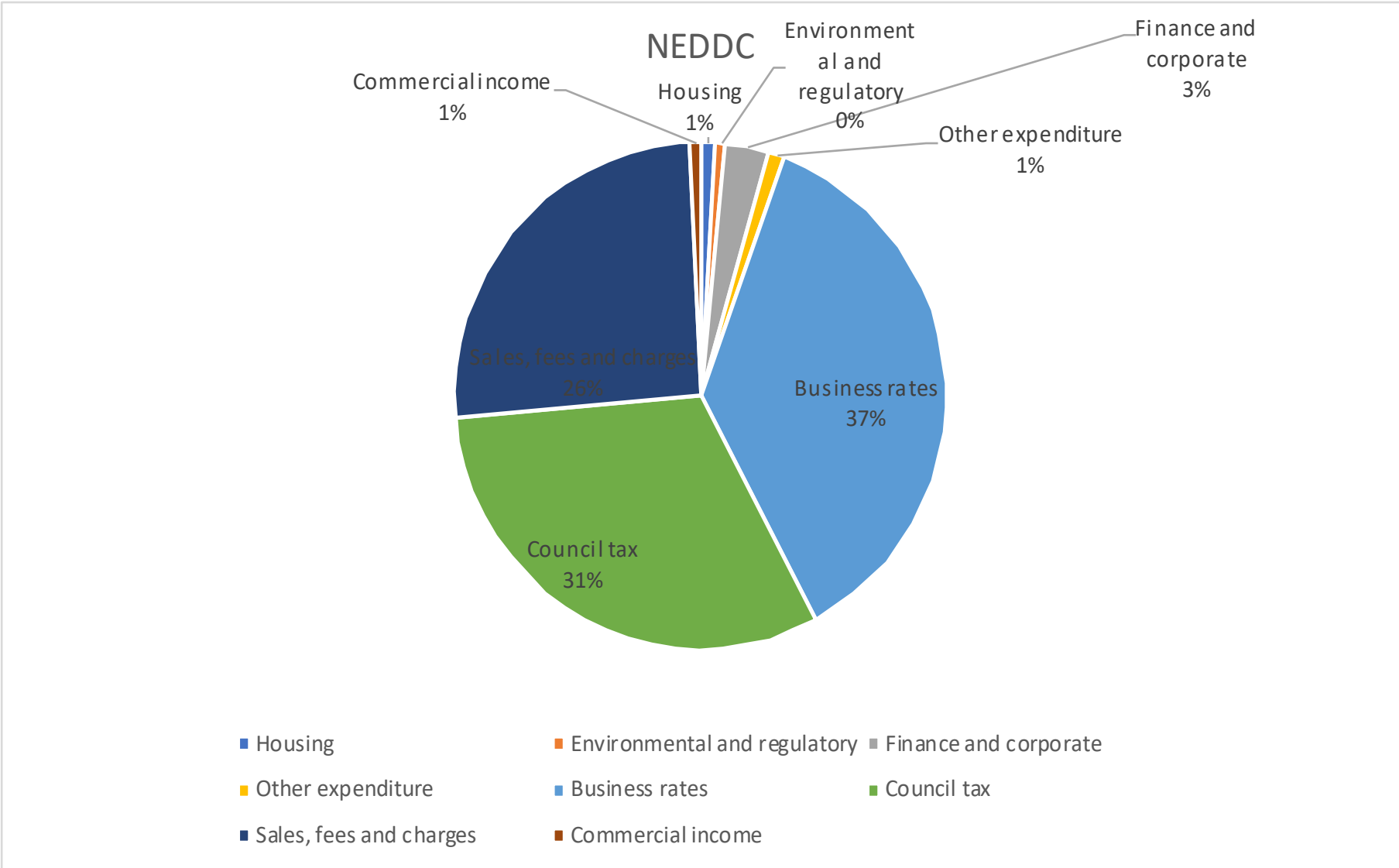


Table 5

HRA income losses due to COVID-19 by source of income (£ millions)							
	April to September 2020						
	Shire District	Shire County	Unitary Authority	Metropolitan District	London Borough	Total	NEDDC
HRA income losses- residential rent arrears	34.136	0.000	14.313	17.923	28.265	94.637	0
HRA income losses- commercial rent arrears	0.521	0.000	0.653	0.498	6.828	8.500	0
HRA income losses- losses from voids	5.423	0.000	2.461	2.650	3.849	14.383	0.09
HRA income losses- other	2.492	0.000	2.475	3.722	8.714	17.403	0.12
Total	42.572	0.000	19.902	24.793	47.656	134.923	0.21

Table 6

HRA additional expenditure due to COVID-19 by type (£ millions)							
	April to September 2020						
	Shire District	Shire County	Unitary Authority	Metropolitan District	London Borough	Total	NEDDC
HRA workforce pressures	2.173	0.000	2.982	8.433	3.991	17.579	0
HRA supplies and materials including PPE	2.247	0.000	1.233	1.919	5.550	10.949	0
HRA other	2.925	0.000	3.919	8.274	7.098	22.216	0
Total	7.345	0.000	8.134	18.626	16.639	50.744	0

North East Derbyshire District Council

Audit Committee

2 December 2020

Treasury Management Update

Report of the Head of Finance and Resources

This report is public

Purpose of the Report

- To update the Audit and Corporate Governance and Scrutiny Committee on the Council's treasury management activities.

1 Report Details

- 1.1 This monitoring report details at **Appendix 1** the treasury management activity during the first half year. This is in line with best practice as outlined in the CIPFA Treasury Management Code of Practice.
- 1.2 The treasury management function covers the borrowing and investment of Council money. This includes both the management of the Council's day to day cash position and the management of its long term debt. All transactions are conducted in accordance with the Council's approved strategy and the CIPFA Code of Practice. Good treasury management plays an important role in the sound financial management of the Council's resources.
- 1.4 The Council uses external treasury advisors, Arlingclose Ltd, who provide a range of services which include:
 - Technical support on treasury matters, capital finance issues and the drafting of Member reports;
 - Economic and interest rate analysis;
 - Debt services which includes advice on the timing of borrowing;
 - Debt rescheduling advice surrounding the existing portfolio;
 - Generic investment advice on interest rates, timing and investment instruments;
 - Training events offered on a regular basis.
 - Credit ratings/market information service comprising the three main credit rating agencies.
- 1.5 The 2021/22 suite of Treasury Management Strategies will be presented to the Committee at its next meeting on 20 January 2021. Arlingclose will also be in attendance at this meeting to discuss this and any other matters arising.

1.6 Update on Current Activity

In addition to the reporting detailed in Appendix 1, there are two matters that have arisen to report to the Committee:

- 1.7 Investment with Croydon Council - the Committee may be aware that the S151 Officer at Croydon Council recently issued a S114 notice prohibiting all but essential spend. We have a medium term investment of £3m with Croydon but can assure the Committee that following advice from Arlingclose this is at no greater risk than it was prior to the S114 notice being issued and continues to meet the requirements of our Investment Strategy.
- 1.8 Negative Interest Rate Risk – a number of institutions are considering moving to negative interest rates and some have already done so. Currently the Council has no investments affected. This will be closely monitored through our treasury management processes and we will continue to update the Committee accordingly.

2 Conclusions and Reasons for Recommendation

- 2.1 The report details the Council's treasury management activities in line with the CIPFA Treasury Management Code of Practice.

3 Consultation and Equality Impact

- 3.1 There are no consultation and equality impact implications from this report.

4 Alternative Options and Reasons for Rejection

- 4.1 It is considered good practice by the CIPFA Treasury Management Code of Practice that monitoring reports are provided therefore there are no alternative options to consider.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 These are considered throughout the report.

5.2 Legal Implications including Data Protection

- 5.2.1 Having a Treasury Management Strategy in place complies with the requirements of the Local Government Act 2003 and updated advice and guidance from the Government and CIPFA.

5.3 Human Resources Implications

- 5.3.1 These are covered throughout the report.

6 Recommendations

- 6.1 That Council note the treasury management activities undertaken during the first half of the year as outlined in Appendix 1.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	None directly
Links to Corporate Plan priorities or Policy Framework	Providing Excellent customer focussed services

8 Document Information

Appendix No	Title
1	Treasury Management Activity
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	(01246) 217078

Treasury Management Activity April – September 2020/21**PWLB Borrowing**

The Council's total outstanding PWLB debt amounted to £149.541m at 1st April 2020. During the first quarters of 2020/21 £0.152m has been repaid to the PWLB so the balance at 30th June 2020 is £149.389m. During the current financial year no new loans have been taken out with the PWLB. The profile of the outstanding debt is analysed as follows: -

PWLB Borrowing	Maturity Profile 31 March 2020 £'000	Maturity Profile 30 September 2020 £'000
Term		
12 Months	304	152
1 - 2 years	2,205	2,205
2 - 5 years	10,332	10,332
5 - 10 years	23,377	23,377
10 - 15 years	32,233	32,233
Over 15 years	81,090	81,090
Total PWLB Debt	149,541	149,389

PWLB Interest

The interest cost to the Council of the PWLB debt for 2020/21 is shown in the table below. The cost is split between the HRA and General Fund based on the level of debt outstanding within the CFR.

Date	Amount Paid to PWLB £'000
Accrued Interest re 2019/20	(46)
22 nd September 2020	108
23 rd September 2020	33
28 th September 2020	2,135
29 th September 2020	363
Accrued Interest re 2020/21	45
Total Paid	2,638

Temporary Borrowing

Cash flow monitoring and management serves to identify the need for short term borrowing to cover delays in the receipt of income during the course of the year. During the current year to date short term borrowing from the Council's own bank hasn't incurred any interest charges. At the 30th September 2020 the Council had no temporary borrowing in place.

Temporary Investments

The tables below detail the short term investments made during the first two quarters of 2020/21: -

Bank Name	Duration of Loan	B/Fwd 01/04/20 £000's	Amount Invested 2020/21 £000's	Amount Returned 2020/21 £000's	Balance Invested 30/09/20 £000's	Interest Received 30/09/20 £000's
Santander	Call	3,000	2,003	(5,003)	0	(3)
Handelsbank	Call	5,000	3	(5,003)	0	(3)
Barclays	Call	0	5,000	(5,000)	0	(0)
NatWest	Call	0	5,001	(5,001)	0	(1)
Federated Fund 3	Call	3,000	3	(3)	3,000	(3)
Federated GBP 3	Call	2,000	3	(3)	2,000	(3)
Aberdeen Standard	Call	5,000	5	(5)	5,000	(5)
CCLA Public Sector Deposit Fund	1 Day Call	5,000	6	(6)	5,000	(6)
Aviva	Call	0	5,003	(3)	5,000	(3)
Invesco	Call	0	5,002	(2)	5,000	(2)
JP Morgan	Call	0	7,000	(3,000)	4,000	(0)
Debt Management Account Deposit Facility	Various	0	33,000	(30,000)	3,000	(0)
Gosport Borough Council	12 Months	1,000	5	(5)	1,000	(5)
Slough Borough Council	1 Year	2,000	8	(8)	2,000	(8)
Total		26,000	62,042	(53,042)	35,000	(42)

Overnight Investments

The balance of the daily surplus funds can be placed as overnight investments with the Councils bank which is Lloyds. The maximum amount invested with Lloyds in the first quarter of the financial year was £4.964m. There has been no breach of the £5m limit set in the Treasury Management Strategy. For clarity, this limit relates to the amount invested and doesn't include interest accruing as a result.

Compliance with Treasury Limits

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

	Actual 2020/21 £'000	Set Limits 2020/21 £'000
Authorised Limit (total Council external borrowing limit)	192,439	199,485
Operational Boundary	187,439	194,485

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

2 December 2020

<u>Committee Work Programme 2020/2021</u>
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Report of the Joint Head of Corporate Governance and Monitoring Officer

This report is public

Purpose of the Report

- To enable the Audit and Corporate Governance Scrutiny Committee to review the Work Programme for the remainder of the municipal year 2020/2021.

1 Report Details

- 1.1 The Audit and Corporate Governance Scrutiny Committee considers a range of financial and governance issues on a regular basis. Given the number of matters that are examined by the Committee it is appropriate that an Annual Work Programme continues to be in place.
- 1.2 The Work Programme is set out in the attached **Appendix 1**. It should be recognised that the work plan is a live document to which matters may be added or removed as appropriate and approved by the Committee.
- 1.3 The Work Programme enables Members to give structured consideration as to whether the proposed agenda items are appropriate and serve to meet the objectives of the Committee. That question needs to be considered in the light of the Council's Constitution, Chartered Institute of Public Finance and Accountancy (CIPFA) Guidance on the role of an Audit Committee and established good practice.

2 Conclusions and Reasons for Recommendation

- 2.1 To enable the Committee to consider the Work Programme for the remainder of the 2020/2021 municipal year.

3 Consultation and Equality Impact

- 3.1 There are no consultation and equality impact matters arising directly from the content of this report.

4 Alternative Options and Reasons for Rejection

- 4.1 There are no other options proposed.

5 Implications

5.1 Finance and Risk Implications

Risk - the development of a Work Programme for the Audit and Corporate Governance Scrutiny Committee will provide an appropriate structure to assist and support the Committee's work. This will help to ensure that the Committee continues to operate effectively and that the Council's governance/scrutiny and accountability arrangements remain robust. The Programme is designed to allow the Audit and Corporate Governance Scrutiny Committee to continue its flexible approach to its work and consider the range of matters which are within its remit.

There are no financial issues arising from the report.

5.2 Legal Implications including Data Protection

There are no legal issues or Data Protection matters arising directly from this report.

5.3 Human Resources Implications

There are no Human Resource issues arising from the report.

6 Recommendations

- 6.1 That the Committee notes and approves the Audit and Corporate Governance Scrutiny Work Programme for the remainder of the 2020/2021 municipal year as set out in the attached **Appendix 1**.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	None Directly
Links to Corporate Plan priorities or Policy Framework	

8 Document Information

Appendix No	Title
1	Audit and Corporate Governance Scrutiny Committee Work Programme 2020/21
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
Report Author	Contact Number
Nicola Calver Governance Manager	01246 217753

**AUDIT AND CORPORATE GOVERNANCE SCRUTINY COMMITTEE: PROPOSED
WORK PROGRAMME**

<u>DATE OF MEETING</u>	<u>ITEM</u>
02 December 2020	<ul style="list-style-type: none"> • Summary of Internal Audit Reports 2020/21 • Monitoring the Implementation of Internal Audit Recommendations • Performance Management Q2 2020/21 • Strategic Risk and Coronavirus Recovery Plans Arrangements • Corporate Debt • Benchmarking Financial Pressures (Covid) • Investment Strategy • Work Programme
20 January 2021	<ul style="list-style-type: none"> • Medium Term Financial Plan 2021/22 - 2024/25 • Treasury Management Strategies 2021/22 – 2024/25
10 February 2021	<ul style="list-style-type: none"> • Summary of Progress on the Annual Internal Audit Plan 2019/20 • Monitoring the Implementation of Internal Audit Recommendations • Fighting Fraud and Corruption Locally • Report of the External Auditor – Progress report and Technical Update • Evaluate the Effectiveness of the Audit and Corporate Governance Committee • Performance Management Q3 2020/21 • Quarter 3 Financial Monitoring 2020/21 • Corporate Debt • Proposed Accounting Policies 2020/21 • Work Programme
30 April 2021	<ul style="list-style-type: none"> • Annual Review of Effectiveness of Internal Audit • Report of the External Auditor – Audit Plan 2021/22 • Report of the External Auditor – Progress report and Technical Update • Internal Audit Plan 2021/22 • Performance Management – Quarter 4 • Strategic Risk Update • Performance Management Quarter 4 - 2020 • Annual Governance Statement • Work Programme

Agenda Item 11a

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted